
Annual Financial Statements

March 31, 2023

Starlight Group of Funds

Trust Funds

Starlight Global Infrastructure Fund

Starlight Global Real Estate Fund

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund)

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Starlight North American Equity Fund (formerly Stone Growth Fund)

(the "Trust Funds")

Corporate Funds

Starlight Dividend Growth Class* (formerly Stone Dividend Growth Class)

(the "Corporate Fund")

(*a class of mutual fund shares of Stone Corporate Funds Limited)

(collectively the "Funds" or individually referred to as the "Fund")

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Funds (as defined in Note 1) have been prepared by Starlight Investments Capital LP (the "Manager"), in its capacity as manager of the Funds. The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with International Financial Reporting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Starlight Investments Capital GP Inc., as general partner for and behalf of Starlight Investments Capital LP is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board.

Deloitte LLP is the external auditor of the Funds. It is appointed by the Board. The auditor's report is set out herein.

Approved on behalf of the Board of Directors of Starlight Investments Capital GP Inc.
as General Partner of Starlight Investments Capital LP, the manager of the Funds.

Signed "Leonard Drimmer"

Director, Leonard Drimmer

Signed "Neil Fischler"

Director, Neil Fischler

Independent Auditor's Report

To the Unitholders of:

Starlight Global Infrastructure Fund
Starlight Global Real Estate Fund
(the "Starlight Funds")

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund)

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Starlight North American Equity Fund (formerly Stone Growth Fund)

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)
(the "Stone Funds")

(each individually, the "Fund", or collectively, the "Funds")

Opinion

We have audited the financial statements of the Starlight Funds, which comprise the statements of financial position as at March 31, 2023 and 2022, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

We have also audited the financial statements of the Stone Funds, which comprise the statement of financial position as at March 31, 2023, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the 15 month period ended March 31, 2023, and notes to the financial statements, including a summary of significant accounting policies (the financial statements of the Starlight Funds and the Stone Funds are collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Starlight Funds as at March 31, 2023 and 2022, and of the Stone Funds as at March 31, 2023, and for the Starlight Funds the financial performance and cash flows for the years ended March 31, 2023 and 2022, and for the Stone Funds for the period from January 1, 2022 to March 31, 2023 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Stone Funds as at and for the year ended December 31, 2021 were audited by another firm of Chartered Professional Accountants who expressed an unmodified opinion on those statements dated March 18, 2022.

Other Information

Management is responsible for the other information. The other information comprises:

- Management Report of Fund Performance
- Management's Responsibility for Financial Reporting

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management's Report of Fund Performance and Management's Responsibility for Financial Reporting prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Mervyn Ramos.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 27, 2023

Starlight Global Infrastructure Fund

Statements of Financial Position

(In Canadian dollars, in \$000's except per unit amounts)

| As at | Note | March 31, 2023 | March 31, 2022 |
|---|------|-------------------|-------------------|
| Assets | | | |
| Current Assets | | | |
| Investments (Cost: March 31, 2023 - \$94,100, March 31, 2022 - \$112,195) | | \$ 95,780 | \$ 119,356 |
| Cash | | 8,655 | 6,683 |
| Subscriptions receivable | | 58 | 148 |
| Dividends receivable | | 26 | 125 |
| Receivable for distribution from investments | | 50 | – |
| Interest receivable | | 21 | 27 |
| Other assets | | – | 2 |
| Total Assets | | \$ 104,590 | \$ 126,341 |
| Liabilities | | | |
| Current Liabilities | | | |
| Due to brokers | | \$ 858 | \$ 1,503 |
| Accounts payable and accrued liabilities | | 139 | 539 |
| Total Liabilities (excluding Net Assets attributable to unitholders of redeemable units) | | \$ 997 | \$ 2,042 |
| Net Assets attributable to holders of redeemable units per series | | | |
| ETF Series | | 12,767 | 16,010 |
| Series A | | 19,770 | 22,023 |
| Series D | | 214 | 179 |
| Series F | | 65,004 | 71,811 |
| Series FT6 | | 4,267 | 12,276 |
| Series I | | 14 | 14 |
| Series O | | 14 | 14 |
| Series O6 | | 14 | 14 |
| Series T6 | | 1,529 | 1,958 |
| | | \$ 103,593 | \$ 124,299 |
| Number of redeemable units outstanding | | | |
| ETF Series | 4 | 1,225 | 1,375 |
| Series A | | 2,008 | 1,975 |
| Series D | | 24 | 18 |
| Series F | | 6,245 | 6,175 |
| Series FT6 | | 429 | 1,093 |
| Series I | | 1 | 1 |
| Series O | | 1 | 1 |
| Series O6 | | 1 | 1 |
| Series T6 | | 162 | 181 |
| Net Assets attributable to holders of redeemable units per series | | | |
| ETF Series | | \$ 10.42 | \$ 11.64 |
| Series A | | \$ 9.85 | \$ 11.15 |
| Series D | | \$ 9.03 | \$ 10.10 |
| Series F | | \$ 10.41 | \$ 11.63 |
| Series FT6 | | \$ 9.95 | \$ 11.23 |
| Series I | | \$ 11.04 | \$ 12.18 |
| Series O | | \$ 10.94 | \$ 12.09 |
| Series O6 | | \$ 10.43 | \$ 11.66 |
| Series T6 | | \$ 9.45 | \$ 10.79 |

Starlight Global Infrastructure Fund

Statements of Comprehensive Income

For the years ended March 31

(In Canadian dollars, in \$000's except per unit amounts)

| | Note | 2023 | 2022 |
|---|-----------|----------------|------------------|
| Income | | | |
| Net gain (loss) on investments | | | |
| Dividend income | \$ | 2,231 | \$ 2,067 |
| Interest income for distribution purposes | | 221 | 29 |
| Income distribution from investments | | 133 | – |
| Net realized gain (loss) on sale of investments | | (2,207) | 7,174 |
| Net change in unrealized appreciation (depreciation) of investments | | (5,481) | 4,781 |
| Other Income items | | | |
| Realized foreign exchange gain (loss) on cash | | (62) | (27) |
| Total income (loss) | \$ | (5,165) | \$ 14,024 |
| Expenses | | | |
| Management fees | 13 | 1,255 | 1,299 |
| Administration fees | 13 | 239 | 242 |
| Brokerage commissions | 2 | 202 | 185 |
| Harmonized sales tax | | 145 | 151 |
| Independent review committee fees | | 50 | 50 |
| Total expenses | | 1,891 | 1,927 |
| Investment (loss) profit before tax | | (7,056) | 12,097 |
| Withholding taxes on foreign income | | (194) | (135) |
| Increase (decrease) in net assets attributable to holders of redeemable units | \$ | (7,250) | \$ 11,962 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | | | |
| ETF Series | \$ | (914) | \$ 1,554 |
| Series A | | (1,486) | 1,847 |
| Series D | | (12) | 4 |
| Series F | | (4,055) | 7,117 |
| Series FT6 | | (664) | 1,296 |
| Series I | | – | 1 |
| Series O | | – | 1 |
| Series O6 | | – | 1 |
| Series T6 | | (119) | 141 |
| | \$ | (7,250) | \$ 11,962 |
| Increase (decrease) in net assets attributable to holders of redeemable units per unit | | | |
| ETF Series | \$ | (0.69) | \$ 1.14 |
| Series A | \$ | (0.73) | \$ 0.99 |
| Series D | \$ | (0.54) | \$ 0.48 |
| Series F | \$ | (0.64) | \$ 1.18 |
| Series FT6 | \$ | (0.79) | \$ 1.10 |
| Series I | \$ | – | \$ 1.39 |
| Series O | \$ | – | \$ 1.36 |
| Series O6 | \$ | – | \$ 1.32 |
| Series T6 | \$ | (0.63) | \$ 0.93 |

Starlight Global Infrastructure Fund
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
For the years ended March 31

(In Canadian dollars, in \$000's)

| | ETF Series 2023 | ETF Series 2022 | Series A 2023 | Series A 2022 | Series D 2023 | Series D 2022 |
|---|--------------------|--------------------|------------------|------------------|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of year | \$16,010 | \$13,481 | \$22,023 | \$18,093 | \$179 | \$- |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | (914) | 1,554 | (1,486) | 1,847 | (12) | 4 |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | (8) | (28) | (13) | (38) | - | - |
| From capital gains | (150) | (475) | (228) | (653) | (2) | (1) |
| Return of capital | (600) | (270) | (911) | (371) | (9) | (1) |
| | (758) | (773) | (1,152) | (1,062) | (11) | (2) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 542 | 3,141 | 2,182 | 5,180 | 48 | 180 |
| Reinvested distribution | - | - | 848 | 764 | 10 | 2 |
| Amount paid for units redeemed | (2,113) | (1,393) | (2,644) | (2,799) | - | (5) |
| | (1,571) | 1,748 | 386 | 3,145 | 58 | 177 |
| Net assets attributable to holders of redeemable units at end of year | \$12,767 | \$16,010 | \$19,770 | \$22,023 | \$214 | \$179 |

| | Series F 2023 | Series F 2022 | Series FT6 2023 | Series FT6 2022 | Series I 2023 | Series I 2022 |
|---|------------------|------------------|--------------------|--------------------|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of year | \$71,811 | \$61,086 | \$12,276 | \$12,221 | \$14 | \$13 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | (4,055) | 7,117 | (664) | 1,296 | - | 1 |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | (40) | (122) | (6) | (28) | - | - |
| From capital gains | (711) | (2,103) | (113) | (488) | - | - |
| Return of capital | (2,844) | (1,198) | (447) | (278) | (1) | (1) |
| | (3,595) | (3,423) | (566) | (794) | (1) | (1) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 11,679 | 17,626 | 1,313 | 2,316 | - | - |
| Reinvested distribution | 2,482 | 2,341 | 143 | 133 | 1 | 1 |
| Amount paid for units redeemed | (13,317) | (12,936) | (8,235) | (2,896) | - | - |
| | 844 | 7,031 | (6,779) | (447) | 1 | 1 |
| Net assets attributable to holders of redeemable units at end of year | \$65,004 | \$71,811 | \$4,267 | \$12,276 | \$14 | \$14 |

Starlight Global Infrastructure Fund
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
(continued)

For the years ended March 31

(In Canadian dollars, in \$000's)

| | Series O 2023 | Series O 2022 | Series O6 2023 | Series O6 2022 | Series T6 2023 | Series T6 2022 |
|---|------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Net assets attributable to holders of redeemable units at beginning of year | \$14 | \$13 | \$14 | \$13 | \$1,958 | \$870 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | – | 1 | – | 1 | (119) | 141 |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | – | – | – | – | (1) | (4) |
| From capital gains | – | – | – | – | (23) | (60) |
| Return of capital | (1) | (1) | (1) | (1) | (93) | (34) |
| | (1) | (1) | (1) | (1) | (117) | (98) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | – | – | – | – | 243 | 1,071 |
| Reinvested distribution | 1 | 1 | 1 | 1 | 36 | 28 |
| Amount paid for units redeemed | – | – | – | – | (472) | (54) |
| | 1 | 1 | 1 | 1 | (193) | 1,045 |
| Net assets attributable to holders of redeemable units at end of year | \$14 | \$14 | \$14 | \$14 | \$1,529 | \$1,958 |
| | | | | | Total | Total |
| | | | | | 2023 | 2022 |
| Net assets attributable to holders of redeemable units at beginning of year | | | | | \$124,299 | \$105,790 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | | | | | (7,250) | 11,962 |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | | | | | (68) | (220) |
| From capital gains | | | | | (1,227) | (3,780) |
| Return of capital | | | | | (4,907) | (2,155) |
| | | | | | (6,202) | (6,155) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | | | | | 16,007 | 29,514 |
| Reinvested distribution | | | | | 3,522 | 3,271 |
| Amount paid for units redeemed | | | | | (26,783) | (20,083) |
| | | | | | (7,254) | 12,702 |
| Net assets attributable to holders of redeemable units at end of year | | | | | \$103,593 | \$124,299 |

Starlight Global Infrastructure Fund

Statements of Cash Flows

For the years ended March 31

(In Canadian dollars, in \$000's)

| | Note | 2023 | 2022 |
|---|------|--------------------|-------------------|
| Cash flows from operating activities | | | |
| Increase (decrease) in net assets attributable to holders of redeemable units from operations | | \$ (7,250) | \$ 11,962 |
| Adjustments: | | | |
| Purchase of investments | | (71,909) | (89,794) |
| Proceeds from disposition of investments | | 86,950 | 84,021 |
| Brokerage commissions | 2 | 202 | 185 |
| Net realized (gain) loss on sale of investments | | 2,207 | (7,174) |
| Net change in unrealized (appreciation) depreciation of investments | | 5,481 | (4,781) |
| | | <u>15,681</u> | <u>(5,581)</u> |
| Net change in non-cash working capital | | (343) | 284 |
| Net cash from (used in) operating activities | | <u>\$ 15,338</u> | <u>\$ (5,297)</u> |
| Cash flows from financing activities | | | |
| Issuance of units | | 16,097 | 29,513 |
| Payment on redemption of units | | (26,783) | (20,083) |
| Distributions paid to holders of redeemable units, net of reinvested distributions | | (2,680) | (2,884) |
| Net cash from (used in) financing activities | | <u>\$ (13,366)</u> | <u>6,546</u> |
| Net increase (decrease) in cash | | 1,972 | 1,249 |
| Cash at beginning of year | | 6,683 | 5,434 |
| Cash at end of year | | <u>\$ 8,655</u> | <u>\$ 6,683</u> |
| Dividends received, net of withholding taxes | | \$ 2,136 | \$ 1,902 |
| Interest received | | \$ 227 | \$ 4 |

Starlight Global Infrastructure Fund
Schedule of Investment Portfolio
As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-------------------------------|--|-----------------|---------------|---------------------|
| Utilities | | | | |
| 145,680 | AltaGas Ltd. | \$3,456 | \$3,282 | |
| 80,007 | Brookfield Infrastructure Partners LP | 3,862 | 3,654 | |
| 65,080 | Brookfield Renewable Partners LP | 2,457 | 2,772 | |
| 32,055 | CMS Energy Corp. | 2,695 | 2,663 | |
| 415,655 | Enel SpA | 2,629 | 3,439 | |
| 17,800 | Essential Utilities Inc. | 1,031 | 1,052 | |
| 90,000 | EverGen Infrastructure Corporation, Warrants | 32 | – | |
| 31,940 | NextEra Energy Inc. | 3,044 | 3,332 | |
| 111,139 | Northland Power Inc. | 4,239 | 3,765 | |
| 50,140 | RWE AG | 2,468 | 2,922 | |
| | | 25,913 | 26,881 | 25.9 |
| Industrials | | | | |
| 2,360 | Aena SME SA | 530 | 517 | |
| 10,853 | Canadian National Railway Co. | 1,466 | 1,731 | |
| 26,592 | Cargojet Inc. | 4,158 | 2,928 | |
| 21,009 | Eiffage SA | 2,703 | 3,081 | |
| 69,092 | Ferrovial SA | 2,328 | 2,752 | |
| 13,315 | Republic Services Inc. | 2,315 | 2,437 | |
| 16,903 | Vinci SA | 2,209 | 2,627 | |
| 17,935 | Waste Connections Inc. | 2,451 | 3,374 | |
| | | 18,160 | 19,447 | 18.8 |
| Financials | | | | |
| 61,865 | Brookfield Corp. | 3,021 | 2,724 | |
| 15,502 | Fiserv Inc. | 2,044 | 2,371 | |
| 6,609 | Mastercard Incorporated | 2,910 | 3,250 | |
| 14,270 | Nasdaq Inc. | 1,040 | 1,056 | |
| 12,822 | Visa Inc. | 3,307 | 3,912 | |
| | | 12,322 | 13,313 | 12.9 |
| Real Estate | | | | |
| 11,498 | American Tower Corporation | 3,541 | 3,180 | |
| 14,345 | Crown Castle International Corporation | 2,972 | 2,598 | |
| 3,133 | Equinix Inc. | 2,793 | 3,057 | |
| 8,625 | SBA Communications Corporation | 3,323 | 3,047 | |
| | | 12,629 | 11,882 | 11.5 |
| Communication Services | | | | |
| 51,810 | Comcast Corporation | 3,173 | 2,658 | |
| 273,112 | Dejero Labs Inc., Private | 750 | 750 | |
| 5,000,000 | UB Ventures I LP Class S, Private | 5,000 | 5,000 | |
| | | 8,923 | 8,408 | 8.1 |
| Information Technology | | | | |
| 10,164 | Microsoft Corporation | 3,345 | 3,966 | |
| 2,101,229 | Opera Event Inc., Private | 2,345 | 1,421 | |
| 457,143 | Sabio Holdings Inc. | 800 | 480 | |
| 1,935 | VeriSign Inc. | 522 | 553 | |
| | | 7,012 | 6,420 | 6.2 |

Starlight Global Infrastructure Fund

Schedule of Investment Portfolio (continued)

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|---------------------------------------|--|------------------------|-------------------------|---------------------|
| Energy | | | | |
| 32,185 | Enbridge Inc. | \$1,675 | \$1,658 | |
| 58,040 | Keyera Corp. | 1,663 | 1,717 | |
| 41,605 | Pembina Pipeline Corp. | 1,893 | 1,821 | |
| | | <u>5,231</u> | <u>5,196</u> | <u>5.0</u> |
| Fund(s) | | | | |
| 291,145 | Starlight Private Global Infrastructure Pool, Series I | 3,633 | 3,861 | |
| | | <u>3,633</u> | <u>3,861</u> | <u>3.7</u> |
| Corporate Bonds | | | | |
| 100,000 | Opera Event Inc., Private, 12.50% Jul/26/2023 | 127 | 135 | |
| 175,000 | Opera Event Inc., Private, 6% Jul/31/2023 | 221 | 237 | |
| | | <u>348</u> | <u>372</u> | <u>0.4</u> |
| Brokerage commissions (Note 2) | | | | |
| | | <u>(71)</u> | <u>-</u> | |
| Total Investments | | <u>\$94,100</u> | <u>\$95,780</u> | <u>92.5</u> |
| Other assets less liabilities | | | <u>7,813</u> | <u>7.5</u> |
| Total Net Assets | | | <u>\$103,593</u> | <u>100.0</u> |

* Percentage of net assets shown relates to the amounts at fair value to the net assets attributable to holders of redeemable securities.

Starlight Global Infrastructure Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Establishment of the Funds (Note 1)

Starlight Global Infrastructure Fund's investment objective is to provide regular current income by investing globally in companies with either direct or indirect exposure to infrastructure.

Fair Value Hierarchy (Note 3)

The tables below summarize the inputs used by the Fund in valuing the Fund's investments carried at fair value.

| | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|----------------------------------|---------------|---------------|---------------|-------------|
| Investments as at March 31, 2023 | 84,376 | 3,861 | 7,543 | 95,780 |
| Investments as at March 31, 2022 | 110,639 | – | 8,716 | 119,355 |

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

Material level 3 investments are valued based on the following significant inputs:

| Name | Fair value | Basis of valuation | Significant input | + or - .50 change in multiple |
|---------------------------|------------|---|-------------------|---|
| UB Ventures I LP, Class S | \$5,000 | Guideline Public Company - Multiples of revenue | Revenue multiple | Increase or decrease by approximately \$1.0 million |
| Dejero Labs Inc. | \$750 | Guideline Public Company - Multiples of revenue | Revenue multiple | Increase or decrease by approximately \$0.2 million |
| Opera Event Inc. | \$1,421 | Guideline Public Company - Multiples of revenue | Revenue multiple | Increase or decrease by approximately \$0.3 million |

There were no transfers between levels during the years ended March 31, 2023 and March 31, 2022.

The table below summarizes the movement in financial instruments classified as Level 3.

For the year ended March 31, 2023:

| | Balance at March 31, 2022 \$ | Purchases \$ | Sales \$ | Net transfers \$ | Realized Gain (loss) \$ | Unrealized gain (loss) \$ | Balance at March 31, 2023 \$ |
|--------------|------------------------------------|-----------------|-------------|---------------------|-------------------------------|------------------------------------|------------------------------------|
| Equities | 8,373 | – | – | – | – | (1,202) | 7,171 |
| Bonds | 343 | – | – | – | – | 29 | 372 |
| Total | 8,716 | – | – | – | – | (1,173) | 7,543 |

For the year ended March 31, 2022:

| | Balance at March 31, 2021 \$ | Purchases \$ | Sales \$ | Net transfers \$ | Realized Gain (loss) \$ | Unrealized gain (loss) \$ | Balance at March 31, 2022 \$ |
|--------------|------------------------------------|-----------------|-------------|---------------------|-------------------------------|------------------------------------|------------------------------------|
| Equities | 2,649 | 5,332 | – | – | – | 391 | 8,373 |
| Bonds | 126 | 221 | – | – | – | (4) | 343 |
| Total | 2,775 | 5,553 | – | – | – | 387 | 8,716 |

Starlight Global Infrastructure Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Redeemable Units (Note 4)

For the year ended March 31, 2023:

| | ETF Series | Series A | Series D | Series F | Series FT6 | Series I | Series O | Series O6 | Series T6 |
|---------------------------------------|--------------|--------------|-----------|--------------|------------|----------|----------|-----------|------------|
| Units outstanding, beginning of year | 1,375 | 1,975 | 18 | 6,175 | 1,093 | 1 | 1 | 1 | 181 |
| Units issued | 50 | 211 | 5 | 1,084 | 130 | – | – | – | 25 |
| Units redeemed | (200) | (261) | – | (1,243) | (808) | – | – | – | (48) |
| Units reinvested | – | 81 | 1 | 229 | 14 | – | – | – | 4 |
| Units outstanding, end of year | 1,225 | 2,008 | 24 | 6,245 | 429 | 1 | 1 | 1 | 162 |

For the year ended March 31, 2022:

| | ETF Series | Series A | Series D | Series F | Series FT6 | Series I | Series O | Series O6 | Series T6 |
|---------------------------------------|--------------|--------------|-----------|--------------|--------------|----------|----------|-----------|------------|
| Units outstanding, beginning of year | 1,225 | 1,694 | – | 5,555 | 1,139 | 1 | 1 | 1 | 83 |
| Units issued | 275 | 467 | 18 | 1,549 | 207 | – | – | – | 100 |
| Units redeemed | (125) | (256) | – | (1,137) | (265) | – | – | – | (5) |
| Units reinvested | – | 70 | – | 207 | 12 | – | – | – | 3 |
| Units outstanding, end of year | 1,375 | 1,975 | 18 | 6,175 | 1,093 | 1 | 1 | 1 | 181 |

Commitments (Note 8)

As of March 31, 2023 and March 31, 2022, the Fund had no commitments.

Financial Instruments Risks (Note 11)

(a) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Fund are subject to normal market fluctuations and the risks inherent in global market investments. The Fund's investment portfolios are monitored on a daily basis by the Manager.

(b) Other Price Risk

As at March 31, 2023 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets % |
|------------------------------|------------------|----------------------------|
| Investments | 95,780 | 92.4 |
| Total market exposure | 95,780 | 92.4 |

As at March 31, 2022 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets % |
|------------------------------|------------------|----------------------------|
| Investments | 119,355 | 96.0 |
| Total market exposure | 119,355 | 96.0 |

As at March 31, 2023, had the prices on the respective stock exchanges and private investments increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$4,789 or 4.6% of total net assets (March 31, 2022: \$6,968 or 4.8% of net assets).

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Starlight Global Infrastructure Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(c) Currency Risk

The Fund holds assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian dollar, the Fund's functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies fluctuate due to changes in exchange rates.

The table below summarizes the Fund's exposure to currency risks:

March 31, 2023

| Currency type | Currency exposure | % of Total Net Assets |
|----------------------|-------------------|-----------------------|
| | \$ | % |
| United States Dollar | 40,248 | 38.9 |
| Euro | 15,338 | 14.8 |
| Australian Dollar | – | 0.00 |
| Total | 55,586 | 53.7 |

March 31, 2022

| Currency type | Currency exposure | % of Total Net Assets |
|----------------------|-------------------|-----------------------|
| | \$ | % |
| United States Dollar | 44,599 | 35.9 |
| Euro | 16,669 | 13.4 |
| Australian Dollar | 4,626 | 3.7 |
| British Pound | 2,282 | 1.8 |
| Total | 68,177 | 54.9 |

As at March 31, 2023, if the exchange rate between the Canadian dollar and the foreign currencies the Fund is exposed to increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$556 (March 31, 2022: \$682). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

In accordance with the Fund's policy, the Manager monitors currency positions as part of the overall portfolio construction.

(d) Interest Rate Risk

The majority of the Fund's financial assets and liabilities are non-interest bearing as at March 31, 2023 and March 31, 2022. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(e) Credit Risk

The following table summarizes the Fund's credit risk exposure by credit rating as at March 31, 2023:

| Debt Instruments by Credit Rating | Percentage of net assets |
|-----------------------------------|--------------------------|
| | % |
| Not rated | 0.4 |
| Total | 0.4 |

The following table summarizes the Fund's credit risk exposure by credit rating as at March 31, 2022:

| Debt Instruments by Credit Rating | Percentage of net assets |
|-----------------------------------|--------------------------|
| | % |
| Not rated | 0.3 |
| Total | 0.3 |

Starlight Global Infrastructure Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(f) Liquidity Risk

As at March 31, 2023 and March 31, 2022 the Fund had no significant exposure to liquidity risk. Liabilities consist of independent review committee fees payable, administration fees payable and management fees payable, all of which are expected to be settled within 90 days.

Redeemable units are redeemable on demand at the holder's option. The Fund's liquid investments are considered to be in excess of the redemption requirements.

(g) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. A summary of the Fund's concentration risk by industry sector can be found in the Fund's Schedule of Investment Portfolio.

The Fund's investments were concentrated in the following geographies as at March 31:

| Country | 2023 % of NAV | 2022 % of NAV |
|--------------------------|------------------|------------------|
| United States | 39.5 | 35.8 |
| Canada | 31.9 | 40.0 |
| Bermuda | 6.2 | – |
| France | 5.5 | 4.1 |
| Italy | 3.3 | 2.8 |
| Spain | 3.2 | 4.9 |
| Germany | 2.8 | 2.9 |
| United Kingdom | – | 1.8 |
| Australia | – | 3.7 |
| Total Investments | 92.4 | 96.0 |

Interest in non-consolidated structured entities (Note 12)

| | March 31, 2023 | | March 31, 2022 | |
|--|--|-------------------------|--|-------------------------|
| | Fair Value of investment in Underlying Funds | Percentage of ownership | Fair Value of investment in Underlying Funds | Percentage of ownership |
| Non-consolidated structured entities | \$ | % | \$ | % |
| Starlight Private Global Infrastructure Pool, Series I | 3,861 | 3.1 | – | – |

Related parties (Note 13)

(a) Management fees

The Fund's investment activities are managed by the Manager. The management fees for the year ended March 31, 2023 amounted to \$1,255 (March 31, 2022: \$1,299), with \$96 in outstanding accrued management fees due to the Manager at March 31, 2023 (March 31, 2022: \$111).

(b) Fixed administration fees

The Manager earns a fixed administration fee in return for paying certain operating expenses of the Fund. The administration fees for the year ended March 31, 2023, amounted to \$239 (March 31, 2022: \$242), with \$18 in outstanding accrued administration fees due to the Manager at March 31, 2023 (March 31, 2022: \$21).

Starlight Global Infrastructure Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Related parties (Note 13) (continued)

(c) Unit transactions with related parties

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business on the same basis as arms-length investors. As at March 31, 2023, the Manager, including officers and directors, owned 46 units of the Fund (March 31, 2022: 72).

Weighted average number of securities

The following table illustrates the weighted average number of securities for the years ending March 31, 2023 and March 31 2022:

| Series | 2023 | 2022 |
|---------------|-------------|-------------|
| ETF Series | 1,321 | 1,358 |
| Series A | 2,023 | 1,870 |
| Series D | 22 | 9 |
| Series F | 6,295 | 6,012 |
| Series FT6 | 842 | 1,181 |
| Series I | 1 | 1 |
| Series O | 1 | 1 |
| Series O6 | 1 | 1 |
| Series T6 | 188 | 152 |

Starlight Global Real Estate Fund

Statements of Financial Position

(In Canadian dollars, in \$000's except per unit amounts)

| As at | Notes | March 31, 2023 | March 31, 2022 |
|---|-----------|----------------|-------------------|
| Assets | | | |
| Current Assets | | | |
| Investments (Cost: March 31, 2023 - \$84,441, March 31, 2022 - \$117,391) | \$ | 82,042 | \$ 131,356 |
| Cash | | 14,691 | 2,930 |
| Subscriptions receivable | | 157 | 194 |
| Due from brokers | | 4,195 | – |
| Dividends receivable | | 250 | 178 |
| Receivable for distribution from investments | | 150 | 77 |
| Other assets | | 7 | – |
| Total Assets | \$ | 101,492 | \$ 134,735 |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts payable and accrued liabilities | | 139 | 674 |
| Total Liabilities (excluding Net Assets attributable to unitholders of redeemable units) | \$ | 139 | \$ 674 |
| Net Assets attributable to holders of redeemable units per series | | | |
| ETF Series | \$ | 12,460 | 22,349 |
| Series A | | 18,586 | 20,656 |
| Series D | | 90 | 62 |
| Series F | | 64,197 | 84,040 |
| Series FT6 | | 4,961 | 5,298 |
| Series I | | 12 | 14 |
| Series O | | 12 | 13 |
| Series O6 | | 12 | 13 |
| Series T6 | | 1,023 | 1,616 |
| | \$ | 101,353 | \$ 134,061 |
| Number of redeemable units outstanding | | | |
| | 4 | | |
| ETF Series | | 1,400 | 2,075 |
| Series A | | 2,195 | 1,993 |
| Series D | | 11 | 6 |
| Series F | | 7,188 | 7,780 |
| Series FT6 | | 577 | 505 |
| Series I | | 1 | 1 |
| Series O | | 1 | 1 |
| Series O6 | | 1 | 1 |
| Series T6 | | 125 | 160 |
| Net Assets attributable to holders of redeemable units per series | | | |
| ETF Series | \$ | 8.90 | \$ 10.77 |
| Series A | \$ | 8.47 | \$ 10.36 |
| Series D | \$ | 8.16 | \$ 9.87 |
| Series F | \$ | 8.93 | \$ 10.80 |
| Series FT6 | \$ | 8.59 | \$ 10.49 |
| Series I | \$ | 9.47 | \$ 11.31 |
| Series O | \$ | 9.39 | \$ 11.23 |
| Series O6 | \$ | 9.02 | \$ 10.90 |
| Series T6 | \$ | 8.16 | \$ 10.09 |

Starlight Global Real Estate Fund
Statements of Comprehensive Income
For the years ended March 31

(In Canadian dollars, in \$000's except per unit amounts)

| | Note | 2023 | 2022 |
|---|------|--------------------|------------------|
| Income | | | |
| Net gain (loss) on investments | | | |
| Dividend income | | \$ 2,365 | \$ 1,821 |
| Interest income for distribution purposes | | 352 | 351 |
| Income distribution from investments | | 557 | 246 |
| Net realized gain (loss) on sale of investments | | (1,632) | 5,640 |
| Net change in unrealized appreciation (depreciation) of investments | | (16,364) | 10,815 |
| Other Income items | | | |
| Realized foreign exchange gain (loss) on cash | | (3) | (35) |
| Total income (loss) | | (14,725) | 18,838 |
| Expenses | | | |
| Management fees | 13 | 1,214 | 1,295 |
| Administration fees | 13 | 237 | 242 |
| Harmonized sales tax | | 156 | 159 |
| Brokerage commissions | 2 | 106 | 245 |
| Independent review committee fees | | 50 | 50 |
| Interest expense | | — | 1 |
| Total expenses | | 1,763 | 1,992 |
| Investment profit (loss) before tax | | (16,488) | 16,846 |
| Withholding taxes on foreign income | | (268) | (227) |
| Increase (decrease) in net assets attributable to holders of redeemable units | | \$ (16,756) | \$ 16,619 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | | | |
| ETF Series | | (2,954) | 2,978 |
| Series A | | (2,649) | 2,574 |
| Series D | | (9) | (2) |
| Series F | | (10,292) | 10,350 |
| Series FT6 | | (646) | 560 |
| Series I | | (3) | 2 |
| Series O | | (2) | 2 |
| Series O6 | | (1) | 2 |
| Series T6 | | (200) | 153 |
| | | \$ (16,756) | \$ 16,619 |
| Increase (decrease) in net assets attributable to holders of redeemable units per unit | | | |
| ETF Series | | \$ (1.74) | \$ 1.53 |
| Series A | | \$ (1.29) | \$ 1.41 |
| Series D | | \$ (0.90) | \$ (0.54) |
| Series F | | \$ (1.33) | \$ 1.51 |
| Series FT6 | | \$ (1.20) | \$ 1.35 |
| Series I | | \$ (3.00) | \$ 1.83 |
| Series O | | \$ (2.00) | \$ 1.80 |
| Series O6 | | \$ (1.00) | \$ 1.75 |
| Series T6 | | \$ (1.27) | \$ 1.15 |

Starlight Global Real Estate Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the years ended March 31

(In Canadian dollars, in \$000's)

| | ETF Series 2023 | ETF Series 2022 | Series A 2023 | Series A 2022 | Series D 2023 | Series D 2022 |
|--|--------------------|--------------------|------------------|------------------|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of year | \$22,349 | \$17,666 | \$20,655 | \$15,545 | \$62 | \$– |
| Increase (decrease) in net assets attributable to holders of redeemable units | (2,954) | 2,978 | (2,649) | 2,574 | (9) | (2) |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | (51) | (80) | (59) | (75) | – | – |
| From capital gains | (294) | (222) | (337) | (207) | (2) | – |
| Return of capital | (658) | (763) | (755) | (710) | (3) | (1) |
| | (1,003) | (1,065) | (1,151) | (992) | (5) | (1) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 1,614 | 3,016 | 2,996 | 5,008 | 48 | 64 |
| Reinvested distributions | – | – | 766 | 659 | 5 | 1 |
| Amount paid for units redeemed | (7,546) | (246) | (2,031) | (2,139) | (11) | – |
| | (5,932) | 2,770 | 1,731 | 3,529 | 42 | 65 |
| Net assets attributable to holders of redeemable units at end of year | \$12,460 | \$22,349 | \$18,586 | \$20,656 | \$90 | \$62 |

| | Series F 2023 | Series F 2022 | Series FT6 2023 | Series FT6 2022 | Series I 2023 | Series I 2022 |
|--|------------------|------------------|--------------------|--------------------|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of year | \$84,041 | \$55,143 | \$5,298 | \$2,406 | \$14 | \$11 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (10,292) | 10,350 | (646) | 560 | (3) | 2 |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | (230) | (283) | (18) | (19) | – | – |
| From capital gains | (1,323) | (782) | (102) | (52) | – | – |
| Return of capital | (2,963) | (2,689) | (228) | (181) | – | – |
| | (4,516) | (3,754) | (348) | (252) | – | – |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 19,760 | 29,862 | 927 | 2,545 | – | – |
| Reinvested distributions | 2,574 | 2,066 | 273 | 193 | 1 | 1 |
| Amount paid for units redeemed | (27,370) | (9,626) | (543) | (154) | – | – |
| | (5,036) | 22,302 | 657 | 2,584 | 1 | 1 |
| Net assets attributable to holders of redeemable units at end of year | \$64,197 | \$84,041 | \$4,961 | \$5,298 | \$12 | \$14 |

The accompanying notes are an integral part of these financial statements.

Starlight Global Real Estate Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued) For the years ended March 31

(In Canadian dollars, in \$000's)

| | Series O 2023 | Series O 2022 | Series O6 2023 | Series O6 2022 | Series T6 2023 | Series T6 2022 |
|--|------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Net assets attributable to holders of redeemable units at beginning of year | \$13 | \$11 | \$13 | \$11 | \$1,616 | \$707 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (2) | 2 | (1) | 2 | (200) | 153 |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | - | - | - | - | (5) | (6) |
| From capital gains | - | - | - | - | (29) | (17) |
| Return of capital | - | (1) | (1) | (1) | (65) | (56) |
| | - | (1) | (1) | (1) | (99) | (79) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | - | - | - | - | 79 | 828 |
| Reinvested distributions | 1 | 1 | 1 | 1 | 72 | 55 |
| Amount paid for units redeemed | - | - | - | - | (445) | (48) |
| | 1 | 1 | 1 | 1 | (294) | 835 |
| Net assets attributable to holders of redeemable units at end of year | \$12 | \$13 | \$12 | \$13 | \$1,023 | \$1,616 |
| | | | | | Total | Total |
| | | | | | 2023 | 2022 |
| Net assets attributable to holders of redeemable units at beginning of year | | | | | \$134,061 | \$91,501 |
| Increase (decrease) in net assets attributable to holders of redeemable units | | | | | (16,756) | 16,619 |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | | | | | (363) | (463) |
| From capital gains | | | | | (2,087) | (1,280) |
| Return of capital | | | | | (4,673) | (4,402) |
| | | | | | (7,123) | (6,145) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | | | | | 25,424 | 41,323 |
| Reinvested distributions | | | | | 3,693 | 2,976 |
| Amount paid for units redeemed | | | | | (37,946) | (12,213) |
| | | | | | (8,829) | 32,086 |
| Net assets attributable to holders of redeemable units at end of year | | | | | \$101,353 | \$134,061 |

Starlight Global Real Estate Fund

Statements of Cash Flows

For the years ended March 31

(In Canadian dollars, in \$000's)

| | Note | 2023 | 2022 |
|---|------|------------------|-----------------|
| Cash flows from operating activities | | | |
| Increase (decrease) in net assets attributable to holders of redeemable units from operations | \$ | (16,756) | \$ 16,619 |
| Adjustments: | | | |
| Purchase of investments | | (43,072) | (152,480) |
| Proceeds from disposition of investments | | 70,089 | 125,107 |
| Brokerage commissions | 2 | 106 | 245 |
| Net realized (gain) loss on sale of investments | | 1,632 | (5,641) |
| Net change in unrealized (appreciation) depreciation of investments | | 16,364 | (10,815) |
| | | <u>28,363</u> | <u>(26,965)</u> |
| Net change in non-cash working capital | | (687) | 473 |
| Net cash from (used in) operating activities | | <u>27,676</u> | <u>(26,492)</u> |
| Cash flows from financing activities | | | |
| Issuance of units | | 25,461 | 41,247 |
| Payment on redemption of units | | (37,946) | (12,213) |
| Distributions paid to holders of redeemable units, net of reinvested distributions | | | (3,169) |
| Net cash from (used in) financing activities | | <u>(15,915)</u> | <u>25,865</u> |
| Net increase (decrease) in cash | | 11,761 | (627) |
| Cash at beginning of year | | 2,930 | 3,557 |
| Cash at end of year | | <u>\$ 14,691</u> | <u>\$ 2,930</u> |
| Dividends received, net of withholding taxes | \$ | 2,024 | \$ 1,548 |
| Interest received | \$ | 352 | \$ 358 |

Starlight Global Real Estate Fund

Schedule of Investment Portfolio

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|---|--|---------------|---------------|------------------|
| Other Specialized REITs | | | | |
| 9,645 | American Tower Corporation | \$2,965 | \$2,667 | |
| 13,000 | Crown Castle International Corporation | 2,755 | 2,355 | |
| 2,528 | Equinix Inc. | 2,286 | 2,467 | |
| 12,215 | Extra Space Storage Inc. | 2,865 | 2,693 | |
| 7,925 | Public Storage | 3,383 | 3,241 | |
| 7,235 | SBA Communications Corporation | 2,877 | 2,556 | |
| 68,390 | VICI Properties Inc. | 2,604 | 3,019 | |
| | | <u>19,735</u> | <u>18,998</u> | <u>18.8</u> |
| Industrial REITs | | | | |
| 281,917 | Dream Industrial Real Estate Investment Trust | 3,773 | 4,144 | |
| 47,083 | Granite Real Estate Investment Trust | 3,434 | 3,940 | |
| 25,576 | Prologis Inc. | 3,600 | 4,319 | |
| 37,510 | Rexford Industrial Realty Inc. | 2,929 | 3,028 | |
| 24,399 | Terreno Realty Corporation | 1,966 | 2,133 | |
| | | <u>15,702</u> | <u>17,564</u> | <u>17.3</u> |
| Multi-Family Residential REITS | | | | |
| 22,150 | Camden Property Trust | 4,137 | 3,143 | |
| 65,059 | Canadian Apartment Properties Real Estate Investment Trust | 3,301 | 3,084 | |
| 3,580 | Essex Property Trust Inc. | 989 | 1,013 | |
| 187,262 | InterRent Real Estate Investment Trust | 2,798 | 2,507 | |
| 172,103 | Killam Apartment Real Estate Investment Trust | 3,506 | 2,955 | |
| 12,530 | Mid-America Apartment Communities Inc. | 3,120 | 2,561 | |
| | | <u>17,851</u> | <u>15,263</u> | <u>15.0</u> |
| Fund(s) | | | | |
| 783,400 | Starlight Private Global Real Estate Pool, Series I | 10,042 | 10,786 | |
| | | <u>10,042</u> | <u>10,786</u> | <u>10.6</u> |
| Single-Family Residential REITS | | | | |
| 48,558 | American Homes 4 Rent | 2,460 | 2,067 | |
| 27,985 | Equity LifeStyle Properties Inc. | 2,504 | 2,542 | |
| 53,935 | Invitation Homes Inc. | 2,290 | 2,280 | |
| 11,410 | Sun Communities Inc. | 2,589 | 2,175 | |
| | | <u>9,843</u> | <u>9,064</u> | <u>8.9</u> |
| Retail REITs | | | | |
| 86,870 | Kimco Realty Corporation | 2,354 | 2,296 | |
| 134,145 | RioCan Real Estate Investment Trust | 2,802 | 2,735 | |
| | | <u>5,156</u> | <u>5,031</u> | <u>5.0</u> |
| Asset Management & Custody Banks | | | | |
| 63,555 | Brookfield Corp. | 2,939 | 2,798 | |
| | | <u>2,939</u> | <u>2,798</u> | <u>2.8</u> |

Starlight Global Real Estate Fund
Schedule of Investment Portfolio (continued)
As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-----------------------------|---------------------------------------|---------------------|-------------------|-------------------------|
| | Office REITs | | | |
| 12,929 | Alexandria Real Estate Equities Inc. | \$2,802 | \$2,198 | |
| | | <u>2,802</u> | <u>2,198</u> | <u>2.2</u> |
| | Diversified REITs | | | |
| 34,856 | Nexus Industrial REIT | 424 | 340 | |
| | | <u>424</u> | <u>340</u> | <u>0.3</u> |
| | Brokerage commissions (Note 2) | (53) | – | |
| | Total Investments | \$84,441 | \$82,042 | 80.9 |
| | Other assets less liabilities | | 19,311 | 19.1 |
| | Total Net Assets | | \$101,353 | 100.0 |

* Percentage of net assets shown relates to the amounts at fair value to the net assets attributable to holders of redeemable securities.

Starlight Global Real Estate Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Establishment of the Funds (Note 1)

Starlight Global Real Estate Fund's investment objective is to provide regular current income by investing globally primarily in REITs and equity securities of corporations participating in the residential and commercial real estate sector.

Fair Value Hierarchy (Note 3)

The tables below summarize the inputs used by the Fund in valuing the Fund's investments carried at fair value.

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|---------|---------|---------|---------|
| | \$ | \$ | \$ | \$ |
| Investments as at March 31, 2023 | 71,256 | 10,786 | – | 82,042 |
| Investments as at March 31, 2022 | 123,729 | 6,239 | 1,387 | 131,356 |

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

There were no transfers between levels during the years ended March 31, 2023 and March 31, 2022.

There are no level 3 financial instruments as of March 31, 2023. The table below summarizes the movement in financial instruments classified as Level 3 for the year ended March 31, 2023 and March 31, 2022.

March 31, 2023:

| | Balance at March 31, 2021 | Purchases | Sales | Net transfers | Realized gain (loss) | Unrealized gain (loss) | Balance at March 31, 2023 |
|--------------|---------------------------------|-----------|----------------|------------------|-------------------------|---------------------------|------------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Equities | 1,387 | – | (1,575) | – | 337 | (149) | – |
| Total | 1,387 | – | (1,575) | – | 337 | (149) | – |

March 31, 2022:

| | Balance at March 31, 2021 | Purchases | Sales | Net transfers | Realized gain (loss) | Unrealized gain (loss) | Balance at March 31, 2022 |
|--------------|---------------------------------|-----------|--------------|------------------|-------------------------|---------------------------|------------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Equities | 1,181 | – | – | – | – | 207 | 1,387 |
| Bonds | – | – | (707) | 700 | 7 | – | – |
| Total | 1,181 | – | (707) | 700 | 7 | 207 | 1,387 |

Redeemable Units (Note 4)

For the year ended March 31, 2023

| | ETF Series | Series A | Series D | Series F | Series FT6 | Series I | Series O | Series O6 | Series T6 |
|---|---------------|--------------|-----------|--------------|---------------|----------|----------|-----------|------------|
| Units outstanding, beginning of year | 2,075 | 1,993 | 6 | 7,780 | 505 | 1 | 1 | 1 | 160 |
| Units issued | 175 | 340 | 5 | 2,114 | 103 | – | – | – | 9 |
| Units redeemed | (850) | (224) | (1) | (2,981) | (61) | – | – | – | (52) |
| Units reinvested | – | 86 | 1 | 275 | 30 | – | – | – | 8 |
| Units outstanding, end of year | 1,400 | 2,195 | 11 | 7,188 | 577 | 1 | 1 | 1 | 125 |

Starlight Global Real Estate Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Redeemable Units (Note 4) (continued)

For the year ended March 31, 2022

| | ETF Series | Series A | Series D | Series F | Series FT6 | Series I | Series O | Series O6 | Series T6 |
|---------------------------------------|--------------|--------------|----------|--------------|------------|----------|----------|-----------|------------|
| Units outstanding, beginning of year | 1,825 | 1,651 | – | 5,688 | 254 | 1 | 1 | 1 | 77 |
| Units issued | 275 | 483 | 6 | 2,798 | 247 | – | – | – | 83 |
| Units redeemed | (25) | (204) | – | (899) | (15) | – | – | – | (5) |
| Units reinvested | – | 64 | – | 192 | 18 | – | – | – | 5 |
| Units outstanding, end of year | 2,075 | 1,993 | 6 | 7,780 | 505 | 1 | 1 | 1 | 160 |

Commitments (Note 8)

As of March 31, 2023 and March 31, 2022, the Fund had no commitments.

Financial Instruments Risks (Note 11)

(a) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Fund's investment portfolios are monitored on a daily basis by the Manager.

(b) Other Price Risk

As at March 31, 2023 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 82,042 | 80.9 |
| Total market exposure | 82,042 | 80.9 |

As at March 31, 2022 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 131,356 | 98.0 |
| Total market exposure | 131,356 | 98.0 |

As at March 31, 2023, had the prices on the respective stock exchanges and private investments increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$4,102 or 4.1% of total net assets (March 31, 2022: \$6,568 or 4.9% of net assets).

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(c) Currency Risk

The Fund holds assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other global currencies fluctuates due to changes in exchange rates.

Starlight Global Real Estate Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(c) Currency Risk (continued)

The table below summarizes the Funds' exposure to currency risks:

March 31, 2023

| Currency type | Currency exposure \$ | % of Total Net Assets % |
|----------------------|-------------------------|----------------------------|
| United States Dollar | 59,906 | 59.1 |
| Euro | 2 | – |
| Total | 59,908 | 59.1 |

March 31, 2022

| Currency type | Currency exposure \$ | % of Total Net Assets % |
|----------------------|-------------------------|----------------------------|
| United States Dollar | 77,565 | 57.9 |
| Euro | 2 | – |
| Australian Dollar | 7,160 | 5.3 |
| Swedish Krone | 2,972 | 2.2 |
| Total | 87,698 | 65.4 |

As at March 31, 2023, if the exchange rate between the Canadian dollar and the foreign currencies the Fund is exposed to increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$599 (March 31, 2022: \$877). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

In accordance with the Fund's policy, the Manager monitors currency positions as part of the overall portfolio construction.

(d) Interest Rate Risk

The Fund invests in equities and real estate investment trusts ("REITs"). An increase in interest rates would increase the borrowing cost on the investment properties and have an adverse effect on net income. Availability of financing and fluctuations in borrowing rates will also restrict the real estate companies' ability to acquire attractive properties and hinder their returns. This would indirectly impact distributions and dividends paid to the Fund.

The majority of the Fund's financial assets and liabilities are non-interest bearing as at March 31, 2023 and March 31, 2022. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(e) Credit Risk

As at March 31, 2023 and March 31, 2022, the Fund did not have any credit risk exposure.

(f) Liquidity Risk

As at March 31, 2023 and March 31, 2022 the Fund had no significant exposure to liquidity risk. Liabilities consist of independent review committee fees payable, administration fees payable and management fees payable, all of which are expected to be settled within 90 days.

Redeemable units are redeemable on demand at the holder's option. The Fund's liquid investments are considered to be in excess of the redemption requirements.

(g) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. A summary of the Fund's concentration risk by industry sector can be found in the Fund's Schedule of Investment Portfolio.

Starlight Global Real Estate Fund

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements
(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(h) Concentration Risk (continued)

The Fund's investments were concentrated in the following geographies as at March 31:

| Country | 2023 | 2022 |
|--------------------------|-------------|-------------|
| | % of NAV | % of NAV |
| United States | 48.1 | 57.8 |
| Canada | 32.9 | 32.7 |
| Australia | – | 5.3 |
| Sweden | – | 2.2 |
| Total Investments | 81.0 | 98.0 |

Interest in non-consolidated structured entities (Note 12)

| | March 31, 2023 | | March 31, 2022 | |
|--|--|-------------------------|--|-------------------------|
| | Fair Value of investment in Underlying Funds | Percentage of ownership | Fair Value of investment in Underlying Funds | Percentage of ownership |
| | \$ | % | \$ | % |
| Non-consolidated structured entities | | | | |
| Starlight Private Global Real Estate Pool (Series I) | 10,786 | 11.3 | 6,239 | 9.8 |

Related parties (Note 13)

(a) Management fees

The Fund's investment activities are managed by the Manager. The management fees for the year ended March 31, 2023 amounted to \$1,214 (March 31, 2022: \$,295), with \$90 in outstanding accrued management fees due to the Manager at March 31, 2023 (March 31, 2022: \$118).

(b) Fixed administration fees

The Manager earns a fixed administration fee in return for paying certain operating expenses of the Fund. The administration fees for the year ended March 31, 2023 amounted to \$237 (March 31, 2022: \$243), with \$17 in outstanding accrued administration fees due to the Manager at March 31, 2023 (March 31, 2022: \$22).

(c) Unit transactions with related parties

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business on the same basis as arms-length investors. As at March 31, 2023, the Manager, including officers and directors, owned 52 units of the Fund (March 31, 2022: 77).

Weighted average number of securities

The following table illustrates the weighted average number of securities for the years ending March 31, 2023 and March 31 2022:

| Series | March 31, 2023 | March 31, 2022 |
|------------|----------------|----------------|
| ETF Series | 1,701 | 1,945 |
| Series A | 2,053 | 1,822 |
| Series D | 10 | 4 |
| Series F | 7,740 | 6,838 |
| Series FT6 | 539 | 416 |
| Series I | 1 | 1 |
| Series O | 1 | 1 |
| Series O6 | 1 | 1 |
| Series T6 | 157 | 133 |

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund) Statements of Financial Position

(In Canadian dollars, in \$000's except per unit amounts)

| As at | Note | March 31, 2023 | December 31, 2021 |
|---|----------|-----------------|----------------------|
| Assets | | | |
| Current Assets | | | |
| Investments (Cost: March 31, 2023 - \$7,930, December 31, 2021 - \$9,854) | | \$ 8,887 | \$ 12,855 |
| Cash | | 920 | 248 |
| Subscriptions receivable | | 31 | 26 |
| Dividends receivable | | – | 56 |
| Total Assets | | \$ 9,838 | \$ 13,185 |
| Liabilities | | | |
| Current Liabilities | | | |
| Redemptions payable | | 14 | 201 |
| Accounts payable and accrued expenses | | 18 | – |
| Derivative liabilities | | | |
| Written options | | 1 | 7 |
| Total Liabilities (excluding Net Assets attributable to unitholders of redeemable units) | | \$ 33 | \$ 208 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series A | | \$ 3,878 | 5,909 |
| Series F | | 5,807 | 6,952 |
| Series O | | 79 | 34 |
| Series PTF* | | 41 | 82 |
| | | \$ 9,805 | \$ 12,977 |
| Number of redeemable units outstanding | | | |
| | 4 | | |
| Series A | | 378 | 504 |
| Series F | | 540 | 567 |
| Series O | | 8 | 3 |
| Series PTF* | | 4 | 7 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series A | | \$ 10.27 | \$ 11.73 |
| Series F | | \$ 10.76 | \$ 12.26 |
| Series O | | \$ 9.35 | \$ 10.63 |
| Series PTF* | | \$ 10.21 | \$ 11.43 |

*Inception date March 22, 2021

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund)

Statements of Comprehensive Income

For the period ended March 31, 2023 and the year ended December 31, 2021 (See

Note 1)

(In Canadian dollars, in \$000's except per unit amounts)

| | Note | 2023 | 2021 |
|---|------|-----------------|-----------------|
| Income | | | |
| Net gain (loss) on investments | | | |
| Dividend income | \$ | 545 | \$ 493 |
| Interest for distribution purposes | | 13 | – |
| Net realized gain (loss) on sale of investments and derivatives | | 850 | 321 |
| Net change in unrealized appreciation (depreciation) of investments and derivatives | | (2,039) | 2,838 |
| Foreign exchange gains (losses) on cash | | – | – |
| Total income (loss) | | (631) | 3,652 |
| Expenses | | | |
| Management fees | 13 | 163 | 164 |
| Securityholder reporting costs | | 111 | 91 |
| Filing fees | | 24 | 19 |
| Audit fees | | 17 | 14 |
| Custodian fees | | 13 | 4 |
| Transfer agency fees | | 12 | 13 |
| Brokerage commissions | 2 | 4 | 1 |
| Independent review committee fees | | 3 | 5 |
| Legal fees | | 1 | 2 |
| Total expenses | | 348 | 313 |
| Expenses waived/absorbed by the Manager | | (47) | (29) |
| Total expenses (net) | | 301 | 284 |
| Increase (decrease) in net assets attributable to holders of redeemable units | | \$ (932) | \$ 3,368 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | | | |
| Series A | | (407) | 1,751 |
| Series F | | (512) | 1,610 |
| Series O | | (8) | 2 |
| Series PTF* | | (5) | 5 |
| | | \$ (932) | \$ 3,368 |
| Increase (decrease) in net assets attributable to holders of redeemable units per unit | | | |
| Series A | \$ | (0.98) | \$ 2.89 |
| Series F | \$ | (0.88) | \$ 2.93 |
| Series O | \$ | (0.98) | \$ 0.71 |
| Series PTF* | \$ | (0.80) | \$ 1.37 |

*Inception date March 22, 2021

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund)

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Series A 2023 | Series A 2021 | Series F 2023 | Series F 2021 | Series O 2023 | Series O 2021 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$5,909 | \$7,189 | \$6,952 | \$5,045 | \$34 | \$- |
| Increase (decrease) in net assets attributable to holders of redeemable units | (407) | 1,751 | (512) | 1,610 | (8) | 2 |
| Distributions to holders from redeemable units | | | | | | |
| Net investment income | - | (29) | - | (78) | - | - |
| Dividends | (54) | - | (106) | - | (2) | - |
| Capital gains | (129) | - | (256) | - | (4) | - |
| | (183) | (29) | (362) | (78) | (6) | - |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 215 | 316 | 922 | 972 | 81 | 33 |
| Reinvested distributions | 144 | 24 | 320 | 69 | 6 | - |
| Amount paid for units redeemed | (1,800) | (3,342) | (1,513) | (666) | (28) | (1) |
| | (1,441) | (3,002) | (271) | (375) | 59 | 32 |
| Net assets attributable to holders of redeemable units at end of period | \$ 3,878 | \$5,909 | \$ 5,807 | \$6,952 | \$ 79 | \$34 |

| | Series PTF 2023 | Series PTF 2021 | Total 2023 | Total 2021 |
|--|--------------------|--------------------|-----------------|-----------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$82 | \$- | \$12,977 | \$12,234 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (5) | 5 | (932) | 3,368 |
| Distributions to holders from redeemable units | | | | |
| Net investment income | - | - | - | - |
| Dividends | (1) | (1) | (163) | (108) |
| Capital gains | (2) | - | (391) | - |
| | (3) | (1) | (554) | (108) |
| Redeemable unit transactions (Note 4) | | | | |
| Proceeds from sale of units | - | 78 | 1,218 | 1,399 |
| Reinvested distributions | - | - | 470 | 93 |
| Amount paid for units redeemed | (33) | - | (3,374) | (4,009) |
| | (33) | 78 | (1,686) | 2,517 |
| Net assets attributable to holders of redeemable units at end of period | \$41 | \$82 | \$9,805 | \$12,977 |

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund)

Statements of Cash Flows

For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Note | 2023 | 2021 |
|---|------|----------------|----------------|
| Cash flows from operating activities | | | |
| Increase (decrease) in net assets attributable to holders of redeemable units from operations | \$ | (932) | \$ 3,368 |
| Adjustments: | | | |
| Purchase of investments and derivatives | | (1,523) | (3) |
| Proceeds from disposition of investments and derivatives | | 4,292 | 2,368 |
| Brokerage commissions | 2 | 4 | 1 |
| Net realized (gain) loss on sale of investments and derivatives | | (850) | (321) |
| Net change in unrealized (appreciation) depreciation of investments and derivatives | | 2,039 | (2,838) |
| | | 3,030 | 2,575 |
| Net change in non-cash working capital | | 43 | (9) |
| Net cash from (used in) operating activities | | 3,073 | 2,566 |
| Cash flows from financing activities | | | |
| Issuance of units | | 1,244 | 1,374 |
| Payment on redemption of units | | (3,561) | (3,808) |
| Distributions paid to holders of redeemable units, net of reinvested distributions | | (84) | (15) |
| Net cash from (used in) financing activities | | (2,401) | (2,449) |
| Net increase (decrease) in cash | | 672 | 117 |
| Cash at beginning of period | | 248 | 131 |
| Cash at end of period | | \$ 920 | \$ 248 |
| Dividends received, net of withholding taxes | \$ | 570 | \$ 484 |
| Interest received | \$ | 13 | \$ - |

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund)

Schedule of Investment Portfolio

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-------------------------|---|-----------------|----------------|---------------------|
| Financials | | | | |
| 5,135 | Bank of Montreal | \$500 | \$618 | |
| 9,710 | Bank of Nova Scotia | 659 | 661 | |
| 2,330 | Brookfield Asset Management Inc., Class 'A' | 76 | 103 | |
| 3,676 | Brookfield Asset Management Inc., Preferred, Class 'A', Series '36', Perpetual | 63 | 70 | |
| 4,628 | Brookfield Corp. | 195 | 204 | |
| 7,689 | Canadian Imperial Bank of Commerce | 415 | 441 | |
| 4,722 | Canadian Western Bank | 150 | 117 | |
| 16,254 | Great-West Lifeco Inc. | 462 | 582 | |
| 3,064 | Great-West Lifeco Inc., Preferred, Series 'M', Perpetual | 62 | 73 | |
| 2,876 | iA Financial Corp. Inc. | 164 | 246 | |
| 8,655 | IGM Financial Inc. | 299 | 350 | |
| 1,708 | Intact Financial Corp. | 231 | 330 | |
| 3,086 | Intact Financial Corp., Preferred, Class 'A', Series '5', Perpetual | 63 | 66 | |
| 7,685 | Laurentian Bank of Canada | 324 | 244 | |
| 24,833 | Manulife Financial Corp. | 580 | 616 | |
| 3,727 | Manulife Financial Corp., Preferred, Class 'A', Series '3', Perpetual | 61 | 71 | |
| 7,685 | National Bank of Canada | 563 | 743 | |
| 4,324 | Onex Corp. | 326 | 273 | |
| 13,726 | Power Corp. of Canada | 456 | 474 | |
| 3,289 | Power Corp. of Canada, Preferred, Series 'A', Perpetual | 63 | 75 | |
| 6,249 | Royal Bank of Canada | 676 | 808 | |
| 7,427 | Sun Life Financial Inc. | 419 | 469 | |
| 3,676 | Sun Life Financial Inc., Preferred, Class 'A', Series '3', Perpetual | 60 | 71 | |
| 3,423 | TMX Group Ltd. | 422 | 467 | |
| 8,830 | Toronto-Dominion Bank | 644 | 715 | |
| | | 7,934 | 8,887 | 90.6% |
| | Brokerage commissions (Note 2) | (4) | | |
| | Total Investments | \$7,930 | \$8,887 | 90.6% |
| | Written Options -Schedule A | | (1) | 0.0% |
| | Other assets less liabilities | | 919 | 9.4% |
| | Total Net Assets | | \$9,805 | 100.0% |

**Starlight Canadian Financial Services Covered Call Fund
(formerly Stone Covered Call Canadian Banks Plus Fund)**

Schedule of Investment Portfolio (continued)

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

Schedule A

Short Option Contract(s)

| Contract(s) | Underlying Interest | Expiry Date | Strike Price (\$) | Currency | Premium Paid (Received) (\$) | Fair Value (\$) |
|---|-------------------------------|--------------------|------------------------------|-----------------|---|----------------------------|
| (22) | IGM Financial Inc. Call | April 21, 2023 | 43.00 | CAD | (1) | 0 |
| (65) | Manulife Financial Corp. Call | April 21, 2023 | 28.00 | CAD | (2) | 0 |
| (20) | Royal Bank Of Canada Call | April 21, 2023 | 135.00 | CAD | (4) | 0 |
| (10) | TMX Group Ltd. Call | April 21, 2023 | 140.00 | CAD | (1) | (1) |
| Total Short Option Contract(s) Value | | | | | (8) | (1) |

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund) Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Establishment of the Funds (Note 1)

Starlight Canadian Financial Services Covered Call Fund's (formerly Stone Covered Call Canadian Banks Plus Fund) investment objective is to provide investors with dividend and option premium income and seek long term capital appreciation by investing in dividend paying securities in the Canadian financial sector and employing a covered call option writing strategy on certain of those securities.

Fair Value Hierarchy (Note 3)

The tables below summarize the inputs used by the Fund in valuing the Fund's investments carried at fair value.

| | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|---------|---------|---------|---------------|
| | \$ | \$ | \$ | \$ |
| Investments as at March 31, 2023 | 8,887 | – | – | 8,887 |
| Investments as at December 31, 2021 | 12,850 | (2) | – | 12,848 |

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

There were no transfers between levels during the periods ended March 31, 2023 and December 31, 2021.

Redeemable Securities (Note 4)

For the period ended March 31, 2023

| | Series A | Series F | Series O | Series PTF |
|---|------------|------------|----------|------------|
| Units outstanding, beginning of period | 504 | 567 | 3 | 7 |
| Units issued | 17 | 60 | 7 | – |
| Units redeemed | (137) | (135) | (2) | (3) |
| Transferred in | 2 | 19 | – | – |
| Transferred out | (22) | – | – | – |
| Units reinvested | 14 | 29 | – | – |
| Units outstanding, end of period | 378 | 540 | 8 | 4 |

For the year ended December 31, 2021

| | Series A | Series F | Series O | Series PTF* |
|---------------------------------------|------------|------------|----------|-------------|
| Units outstanding, beginning of year | 794 | 534 | – | – |
| Units issued | 30 | 87 | 3 | 7 |
| Units redeemed | (322) | (60) | – | – |
| Units reinvested | 2 | 6 | – | – |
| Units outstanding, end of year | 504 | 567 | 3 | 7 |

*Inception date March 22, 2021

Commitments (Note 8)

As of March 31, 2023 and December 31, 2021, the Fund had no commitments.

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund) Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11)

(d) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Fund's investment portfolios are monitored on a daily basis by the Manager.

(e) Other Price Risk

As at March 31, 2023 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 8,887 | 90.6 |
| Total market exposure | 8,887 | 90.6 |

As at December 31, 2021 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 12,848 | 99.0 |
| Total market exposure | 12,848 | 99.0 |

As at March 31, 2023, had the prices on the respective stock exchanges increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$444 or 4.5% of total net assets (December 31, 2021: \$593 or 4.57% of net assets).

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(d) Currency Risk

As at March 31, 2023 and December 31, 2021, the Fund did not have significant exposure to foreign currency risk.

(e) Interest Rate Risk

The majority of the Fund's financial assets and liabilities are non-interest bearing as at March 31, 2023 and December 31, 2021. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(f) Credit Risk

The Fund credit risk exposure as at March 31, 2023 and December 31, 2021 were as follows:

| Rating | 2023 | 2021 |
|--------------|------------|----------|
| AAA | – | – |
| AA | – | – |
| A | 2.9 | – |
| BBB | 1.4 | – |
| Below BBB | – | – |
| Unrated | – | – |
| Total | 4.3 | – |

Starlight Canadian Financial Services Covered Call Fund (formerly Stone Covered Call Canadian Banks Plus Fund) Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(g) Liquidity Risk

As at March 31, 2023 and December 31, 2021 the Fund had no significant exposure to liquidity risk. Liabilities consist of independent review committee fees payable, operating expenses payable and management fees payable, all of which were expected to be settled within 90 days.

Redeemable units are redeemable on demand at the holder's option. The Fund's liquid investments are considered to be in excess of the redemption requirements.

(h) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. A summary of the Fund's concentration risk by industry sector can be found in the Fund's Schedule of Investment Portfolio.

The Fund's investments were concentrated in the following sectors:

| Sector | As at March 31, 2023 | As at December 31, 2021 |
|--------------------------|----------------------|-------------------------|
| | % of NAV | % of NAV |
| Financials | 90.6 | 99.1 |
| Written Options | — | (0.1) |
| Total investments | 90.6 | 99.0 |

Related parties (Note 13)

(a) Management fees

The Fund's investment activities are managed by the Manager. The management fees for the period ended March 31, 2023 amounted to \$163 (December 31, 2021: \$164), with \$9 in outstanding accrued management fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(b) Operating fees

The Manager is paid operating fees from the Fund for the day-to-day operational services. The operating fees for the period ended March 31, 2023 amounted to \$123 (December 31, 2021: \$119), with \$7 in outstanding accrued operating fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(c) Unit transactions with related parties

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business on the same basis as arms-length investors. As at March 31, 2023, the Manager, including officers and directors, owned nil units of the Fund (December 31, 2021: 9).

Weighted average number of securities

The following table illustrates the weighted average number of securities for the periods ending March 31, 2023 and December 31 2021:

| Series | March 31, 2023 | December 31, 2021 |
|------------|----------------|-------------------|
| Series A | 416 | 605 |
| Series F | 581 | 551 |
| Series O | 8 | 2 |
| Series PTF | 7 | 4 |

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Statements of Financial Position

(In Canadian dollars, in \$000s except per unit amounts)

| As at | Note | March 31, 2023 | December 31, 2021 |
|---|-----------|----------------|-------------------|
| Assets | | | |
| Current Assets | | | |
| Investments (Cost: March 31, 2023 - \$5,201, December 31, 2021 - \$5,675) | \$ | 6,025\$ | 7,358 |
| Cash | | 472 | 1 |
| Subscriptions receivable | | - | 5 |
| Dividends receivable | | 28 | 35 |
| Receivable for investments sold | | - | 35 |
| Total Assets | \$ | 6,525\$ | 7,434 |
| Liabilities | | | |
| Current Liabilities | | | |
| Redemptions payable | | 13 | 24 |
| Accounts payable and accrued expenses | | 18 | - |
| Total Liabilities (excluding Net Assets attributable to unitholders of redeemable units) | \$ | 31\$ | 24 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series A | \$ | 4,165 | 6,992 |
| Series F | | 2,327 | 416 |
| Series O | | - | - |
| Series T5A | | 2 | 2 |
| Series T5F | | - | - |
| | \$ | 6,494\$ | 7,410 |
| Number of redeemable units outstanding | | | |
| | 4 | | |
| Series A | | 2,475 | 3,780 |
| Series F | | 827 | 136 |
| Series O | | - | - |
| Series T5A | | - | - |
| Series T5F | | - | - |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series A | \$ | 1.68\$ | 1.85 |
| Series F | \$ | 2.81\$ | 3.05 |
| Series O | \$ | -\$ | 10.00 |
| Series T5A | \$ | 8.55\$ | 10.03 |
| Series T5F | \$ | -\$ | 10.00 |

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Statements of Comprehensive Income

For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000s except per unit amounts)

| | Note | 2023 | 2021 |
|---|------|-----------------|-----------------|
| Income | | | |
| Net gain (loss) on investments | | | |
| Dividend income | | \$ 343 | \$ 311 |
| Interest income for distribution purposes | | 10 | 4 |
| Net realized gain (loss) on sale of investments and derivatives | | 237 | 811 |
| Net change in unrealized appreciation (depreciation) of investments and derivatives | | (859) | 839 |
| Other Income items | | | |
| Realized foreign exchange gain (loss) on cash | | 3 | – |
| Net change in unrealized appreciation (depreciation) of foreign currency | | – | (1) |
| Total income (loss) | | (266) | 1,964 |
| Expenses | | | |
| Management fees | 13 | 158 | 169 |
| Securityholder reporting costs | | 81 | 71 |
| Filing fees | | 26 | 21 |
| Transfer agency fees | | 25 | 21 |
| Audit fees | | 16 | 13 |
| Custodian fees | | 6 | 3 |
| Brokerage commissions | 2 | 2 | 4 |
| Independent review committee fees | | 3 | 5 |
| Legal fees | | 1 | 1 |
| Total expenses | | 318 | 308 |
| Expenses waived/absorbed by the Manager | | (36) | (22) |
| Total expenses (net) | | 282 | 286 |
| Increase (decrease) in net assets attributable to holders of redeemable units | | \$ (548) | \$ 1,678 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | | | |
| Series A | | (386) | 1,602 |
| Series F | | (162) | 76 |
| Series O | | – | – |
| Series T5A | | – | – |
| Series T5F | | – | – |
| | | \$ (548) | \$ 1,678 |
| Increase (decrease) in net assets attributable to holders of redeemable units per unit | | | |
| Series A | | \$ (0.13) | \$ 0.38 |
| Series F | | \$ (0.29) | \$ 0.62 |
| Series O | | \$ – | \$ – |
| Series T5A | | \$ (0.86) | \$ 1.96 |
| Series T5F | | \$ – | \$ – |

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
For the period ended March 31, 2023 and the year ended December 31, 2021 (See
Note 1)

(In Canadian dollars, in \$000's)

| | Series A 2023 | Series A 2021 | Series F 2023 | Series F 2021 | Series O 2023 | Series O 2021 |
|--|--------------------|--------------------|--------------------|--------------------|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$6,992 | \$7,240 | \$416 | \$296 | \$- | \$- |
| Increase (decrease) in net assets attributable to holders of redeemable units | (386) | 1,602 | (162) | 76 | - | - |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | - | - | - | - | - | - |
| From dividends | - | - | - | - | - | - |
| From capital gains | - | - | - | - | - | - |
| Return of capital | (12) | - | (11) | - | - | - |
| | (12) | - | (11) | - | - | - |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 107 | 17 | 2,506 | 77 | - | - |
| Reinvested distributions | 10 | - | 10 | - | - | - |
| Amount paid for units redeemed | (2,546) | (1,867) | (432) | (33) | - | - |
| | (2,429) | (1,850) | 2,084 | 44 | - | - |
| Net assets attributable to holders of redeemable units at end of period | \$4,165 | \$6,992 | \$2,327 | \$416 | \$- | \$- |
| | Series T5A 2023 | Series T5A 2021 | Series T5F 2023 | Series T5F 2021 | Total 2023 | Total 2021 |
| Net assets attributable to holders of redeemable units at beginning of period | \$2 | \$2 | \$- | \$- | \$7,410 | \$7,538 |
| Increase (decrease) in net assets attributable to holders of redeemable units | - | - | - | - | (548) | 1,678 |
| Distributions to holders from redeemable units | | | | | | |
| From net investment income | - | - | - | - | - | - |
| From dividends | - | - | - | - | - | - |
| From capital gains | - | - | - | - | - | - |
| Return of capital | - | - | - | - | (23) | - |
| | - | - | - | - | (23) | - |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | - | - | - | - | 2,613 | 94 |
| Reinvested distributions | - | - | - | - | 20 | - |
| Amount paid for units redeemed | - | - | - | - | (2,978) | (1,900) |
| | - | - | - | - | (345) | (1,806) |
| Net assets attributable to holders of redeemable units at end of period | \$2 | \$2 | \$- | \$- | \$6,494 | \$7,410 |

The accompanying notes are an integral part of these financial statements.

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)
Statements of Cash Flows
For the period ended March 31, 2023 and the year ended December 31, 2021

(In Canadian dollars, in \$000's)

| | Note | 2023 | 2021 |
|---|------|--------------|----------------|
| Cash flows from operating activities | | | |
| Increase (decrease) in net assets attributable to holders of redeemable units from operations | \$ | \$ (548) | \$ 1,678 |
| Adjustments: | | | |
| Purchase of investments | | (696) | (965) |
| Proceeds from disposition of investments | | 1,405 | 2,716 |
| Brokerage commissions | 2 | 2 | 4 |
| Net change in unrealized (appreciation) depreciation of foreign currency | | - | 1 |
| Net realized (gain) loss on sale of investments | | (237) | (811) |
| Net change in unrealized (appreciation) depreciation of investments | | 859 | (839) |
| | | <u>785</u> | <u>1,784</u> |
| Net change in non-cash working capital | | <u>60</u> | <u>(37)</u> |
| Net cash from (used in) operating activities | | <u>845</u> | <u>1,747</u> |
| Cash flows from financing activities | | | |
| Issuance of units | | 2,618 | 107 |
| Payment on redemption of units | | (2,989) | (1,956) |
| Distributions paid to holders of redeemable units, net of reinvested distributions | | (3) | - |
| Net cash from (used in) financing activities | | <u>(374)</u> | <u>(1,849)</u> |
| Foreign exchange gains (losses) on cash | | - | (1) |
| Net increase (decrease) in cash | | 471 | (102) |
| Cash at beginning of period | | 1 | 104 |
| Cash at end of period | \$ | <u>472</u> | \$ <u>1</u> |
| Dividends received, net of withholding taxes | \$ | 350 | \$ 309 |
| Interest received | \$ | 10 | \$ 4 |

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Schedule of Investment Portfolio

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % Of Net Assets* |
|-------------------------------|---|--------------|------------|------------------|
| Communication Services | | | | |
| 2,973 | BCE Inc. | \$163 | \$180 | |
| 3,199 | Rogers Communications Inc., Class 'B' | 224 | 200 | |
| 4,908 | Shaw Communications Inc., Class 'B' | 125 | 198 | |
| 7,049 | TELUS Corp. | 161 | 189 | |
| | | 673 | 767 | 11.8% |
| Consumer Staples | | | | |
| 2,042 | George Weston Ltd., Preferred, Series 'I', Perpetual | 47 | 48 | |
| 2,022 | Loblaw Cos. Ltd., Preferred, Series 'B', Perpetual | 47 | 46 | |
| | | 94 | 94 | 1.4% |
| Energy | | | | |
| 4,700 | Enbridge Inc. | 223 | 242 | |
| 6,740 | Gibson Energy Inc. | 156 | 146 | |
| 5,216 | Pembina Pipeline Corp. | 220 | 228 | |
| 4,382 | TC Energy Corp. | 236 | 230 | |
| | | 835 | 846 | 13.0% |
| Financials | | | | |
| 2,091 | Bank of Montreal | 189 | 252 | |
| 4,001 | Bank of Nova Scotia | 268 | 273 | |
| 3,468 | Canadian Imperial Bank of Commerce | 187 | 199 | |
| 3,800 | Canadian Imperial Bank of Commerce, Preferred, Class 'A', Series '49', Variable Rate, Perpetual | 97 | 88 | |
| 5,200 | Laurentian Bank of Canada, Preferred, Class 'A', Series '13', Perpetual | 99 | 85 | |
| 10,405 | Manulife Financial Corp. | 223 | 258 | |
| 4,000 | Manulife Financial Corp., Preferred, Series '11', Variable Rate, Perpetual | 97 | 90 | |
| 2,621 | National Bank of Canada | 156 | 253 | |
| 6,863 | Power Corp. of Canada | 235 | 237 | |
| 2,142 | Royal Bank of Canada | 215 | 278 | |
| 4,035 | Sun Life Financial Inc. | 199 | 255 | |
| 2,864 | Toronto-Dominion Bank | 187 | 232 | |
| 3,800 | Toronto-Dominion Bank, Preferred, Series '22', Variable Rate, Perpetual | 97 | 91 | |
| | | 2,249 | 2,591 | 40.0% |
| Industrials | | | | |
| 10,865 | Aecon Group Inc. | 148 | 149 | |
| | | 148 | 149 | 2.3% |
| Real Estate | | | | |
| 11,240 | Choice Properties REIT | 147 | 163 | |
| 1,630 | Granite REIT | 130 | 136 | |
| | | 277 | 299 | 4.6% |

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund) Schedule of Investment Portfolio (continued)

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % Of Net Assets* |
|----------------------|--|----------------|----------------|------------------|
| Utilities | | | | |
| 5,106 | Brookfield Infrastructure Partners L.P. | \$97 | \$233 | |
| 2,250 | Canadian Utilities Ltd., Preferred, Series 'BB', Perpetual | 46 | 45 | |
| 5,044 | Emera Inc. | 237 | 280 | |
| 2,345 | Emera Inc., Preferred, Series 'E', Perpetual | 44 | 43 | |
| 5,046 | Fortis Inc. | 238 | 291 | |
| 2,233 | Fortis Inc., Preferred, Series 'J', Perpetual | 44 | 45 | |
| 4,500 | Hydro One Ltd. | 113 | 173 | |
| 4,989 | Northland Power Inc. | 109 | 169 | |
| | | 928 | 1,279 | 19.7% |
| | Brokerage commissions (Note 2) | (3) | | |
| | Total Investments | \$5,201 | \$6,025 | 92.8% |
| | Other assets less liabilities | | 469 | 7.2% |
| | Total Net Assets | | \$6,494 | 100.0 |

* Percentage of net assets shown relates to the amounts at fair value to the net assets attributable to holders of redeemable securities.

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Establishment of the Funds (Note 1)

Starlight Enhanced Yield Fund's (formerly Stone Dividend Yield Hog Fund) investment objective is to provide investors with high investment returns by investing primarily in income producing securities such as income trusts, bonds, common and preferred shares.

Fair Value Hierarchy (Note 3)

The tables below summarize the inputs used by the Fund in valuing the Fund's investments carried at fair value.

| | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|---------|---------|---------|-------|
| | \$ | \$ | \$ | \$ |
| Investments as at March 31, 2023 | 6,025 | – | – | 6,025 |
| Investments as at December 31, 2021 | 7,358 | – | – | 7,358 |

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

There were no transfers between levels during the periods ended March 31, 2023 and December 31, 2021.

Redeemable Securities (Note 4)

For the period ended March 31, 2023

| | Series A | Series F | Series O | Series T5A | Series T5F |
|---|--------------|------------|----------|------------|------------|
| Units outstanding, beginning of period | 3,780 | 136 | – | – | – |
| Units issued | 64 | 838 | – | – | – |
| Units redeemed | (1,375) | (151) | – | – | – |
| Units reinvested | 6 | 4 | – | – | – |
| Units outstanding, end of period | 2,475 | 827 | – | – | – |

For the year ended December 31, 2021

| | Series A | Series F | Series O | Series T5A | Series T5F T5PFT |
|---------------------------------------|--------------|------------|----------|------------|------------------|
| Units outstanding, beginning of year | 4,844 | 122 | – | – | – |
| Units issued | 10 | 26 | – | – | – |
| Units redeemed | (1,074) | (12) | – | – | – |
| Units reinvested | – | – | – | – | – |
| Units outstanding, end of year | 3,780 | 136 | – | – | – |

Commitments (Note 8)

As of March 31, 2023 and December 31, 2021, the Fund had no commitments.

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11)

(a) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Fund's investment portfolios are monitored on a daily basis by the Manager.

(b) Other Price Risk

As at March 31, 2023 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 6,025 | 92.8 |
| Total market exposure | 6,025 | 92.8 |

As at December 31, 2021 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 7,358 | 99.3 |
| Total market exposure | 7,358 | 99.3 |

As at March 31, 2023, had the prices on the respective stock exchanges increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$301 or 4.6% of total net assets (December 31, 2021: \$287 or 3.87% of net assets).

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(c) Currency Risk

The Fund holds assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other global currencies fluctuates due to changes in exchange rates.

The table below summarizes the Funds' exposure to currency risks:

March 31, 2023

| | Currency exposure \$ | % of Total Net Assets |
|----------------------|-------------------------|--------------------------|
| Currency type | | |
| United States Dollar | 6 | 0.1 |
| Total | 6 | 0.1 |

December 31, 2021

| | Currency exposure \$ | % of Total Net Assets |
|----------------------|-------------------------|--------------------------|
| Currency type | | |
| United States Dollar | — | — |
| Total | — | — |

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(d) Interest Rate Risk

The majority of the Fund's financial assets and liabilities are non-interest bearing as at March 31, 2023 and December 31, 2021. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(e) Credit Risk

The Fund credit risk exposure as at March 31, 2023 and December 31, 2021 was as follows:

| Rating | 2023 | 2021 |
|--------------|------------|----------|
| AAA | – | – |
| AA | – | – |
| A | 0.7 | – |
| BBB | 4.8 | – |
| Below BBB | 3.4 | – |
| Unrated | – | – |
| Total | 8.9 | – |

(f) Liquidity Risk

As at March 31, 2023 and December 31, 2021, the Fund had no significant exposure to liquidity risk. Liabilities consist of independent review committee fees payable, operating expenses payable and management fees payable, all of which are expected to be settled within 90 days.

Redeemable units are redeemable on demand at the holder's option. The Fund's liquid investments are considered to be in excess of the redemption requirements.

(g) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. A summary of the Fund's concentration risk by industry sector can be found in the Fund's Schedule of Investment Portfolio.

The Fund's investments were concentrated in the following sectors:

| Sector | As at March 31, 2023 | As at December 31, 2021 |
|--------------------------|-------------------------|----------------------------|
| | % of NAV | % of NAV |
| Financials | 40.0 | 43.9 |
| Utilities | 19.7 | 17.6 |
| Energy | 13.0 | 10.0 |
| Communication Services | 11.8 | – |
| Real Estate | 4.6 | 6.7 |
| Industrials | 2.3 | 2.1 |
| Consumer Staples | 1.4 | – |
| Technology | – | 14.1 |
| Consumer Non-Cyclicals | – | 4.9 |
| Total investments | 92.8 | 99.3 |

Starlight Enhanced Yield Fund (formerly Stone Dividend Yield Hog Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Related parties (Note 13)

(a) Management fees

The Fund's investment activities are managed by the Manager. The management fees for the period ended March 31, 2023 amounted to \$158 (December 31, 2021: \$169), with \$9 in outstanding accrued management fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(b) Operating fees

The Manager is paid operating fees from the Fund for the day-to-day operational services. The operating fees for the period ended March 31, 2023 amounted to \$112 (December 31, 2021: \$113), with \$7 thousand in outstanding accrued operating fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(c) Unit transactions with related parties

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business on the same basis as arms-length investors. As at March 31, 2023, the Manager, including officers and directors, owned nil units of the Fund (December 31, 2021: 9).

Weighted average number of securities

The following table illustrates the weighted average number of securities for the period ending March 31, 2023 and the year ended December 31 2021:

| Series | March 31, 2023 | December 31, 2021 |
|---------------|-----------------------|--------------------------|
| Series A | 2,897 | 4,322 |
| Series F | 551 | 122 |
| Series O | – | – |
| Series T5A | – | – |
| Series T5F | – | – |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Statements of Financial Position

(In Canadian dollars, in \$000's except per unit amounts)

| As at | Note | March 31, 2023 | December 31, 2021 |
|---|------|------------------|-------------------|
| Assets | | | |
| Current Assets | | | |
| Investments (Cost: March 31, 2023 - \$31,430, December 31, 2021 - \$43,403) | | \$ 35,595 | \$ 60,212 |
| Cash | | 1,052 | 443 |
| Margin | | 29 | — |
| Subscriptions receivable | | — | 44 |
| Dividends receivable | | 20 | 40 |
| Interest receivable | | 165 | 124 |
| Derivative assets | | | |
| Unrealized gain on futures contracts | | 1 | 12 |
| Unrealized gain on currency forward contracts | | 1 | 1 |
| Total Assets | | \$ 36,863 | \$ 60,876 |
| Liabilities | | | |
| Current Liabilities | | | |
| Margin | | — | 8 |
| Redemptions payable | | 97 | 36 |
| Distributions payable | | — | 3 |
| Accounts payable and accrued expenses | | 60 | — |
| Derivative liabilities | | | |
| Unrealized loss on futures contracts | | 10 | 3 |
| Unrealized loss on forward currency contracts | | — | 2 |
| Total Liabilities (excluding Net Assets attributable to unitholders of redeemable units) | | \$ 167 | \$ 52 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series AA | | \$ 12,139 | 16,625 |
| Series BB | | 279 | 355 |
| Series FF | | 6,221 | 8,198 |
| Series L | | 1,084 | 1,847 |
| Series O | | — | — |
| Series T8A | | 9,780 | 16,778 |
| Series T8B | | 6,349 | 15,414 |
| Series T8C | | 844 | 1,607 |
| | | \$ 36,696 | \$ 60,824 |
| Number of redeemable units outstanding | | | |
| | 4 | | |
| Series AA | | 575 | 318 |
| Series BB | | 13 | 14 |
| Series FF | | 256 | 288 |
| Series L | | 70 | 99 |
| Series O | | — | — |
| Series T8A | | 1,926 | 2,481 |
| Series T8B | | 1,318 | 2,387 |
| Series T8C | | 178 | 254 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series AA | | \$ 21.11 | \$ 25.06 |
| Series BB | | \$ 21.03 | \$ 25.10 |
| Series FF | | \$ 24.26 | \$ 28.46 |
| Series L | | \$ 15.57 | \$ 18.60 |
| Series O | | \$ — | \$ 10.00 |
| Series T8A | | \$ 5.08 | \$ 6.76 |
| Series T8B | | \$ 4.82 | \$ 6.46 |
| Series T8C | | \$ 4.73 | \$ 6.33 |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)
Statements of Comprehensive Income
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's except per unit amounts)

| | Note | 2023 | 2021 |
|---|------|-------------------|-----------------|
| Income | | | |
| Net gain (loss) on investments | | | |
| Dividend income | \$ | 441 | \$ 343 |
| Interest income for distribution purposes | | 856 | 732 |
| Net realized gain (loss) on sale of investments and derivatives | | 3,209 | 3,760 |
| Net change in unrealized appreciation (depreciation) of investments and derivatives | | (12,657) | 531 |
| Other Income items | | | |
| Realized foreign exchange gain (loss) on cash | | 7 | – |
| Net change in unrealized appreciation (depreciation) of foreign currency | | 6 | (8) |
| Total income (loss) | | (8,138) | 5,358 |
| Expenses | | | |
| Management fees | 13 | 946 | 945 |
| Securityholder reporting costs | | 180 | 160 |
| Transfer agency fees | | 60 | 54 |
| Custodian fees | | 32 | 20 |
| Filing fees | | 32 | 25 |
| Audit fees | | 24 | 19 |
| Foreign withholding taxes | | 11 | 8 |
| Brokerage commissions | 2 | 5 | 3 |
| Independent Review Committee fees | | 3 | 5 |
| Legal fees | | 3 | 3 |
| | | 2 | – |
| Total expenses | | 1,298 | 1,234 |
| Expenses waived/absorbed by the Manager | | (21) | (1) |
| Investment profit (loss) before tax | | (9,436) | 4,125 |
| Withholding taxes on foreign income | | 11 | 8 |
| Increase (decrease) in net assets attributable to holders of redeemable units | | \$ (9,415) | \$ 4,117 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | | | |
| Series AA | | (2,615) | 1,076 |
| Series BB | | (58) | 26 |
| Series FF | | (1,231) | 557 |
| Series L | | (294) | 124 |
| Series O | | – | – |
| Series T8A | | (2,545) | 1,156 |
| Series T8B | | (2,420) | 1,071 |
| Series T8C | | (252) | 107 |
| | | \$ (9,415) | \$ 4,117 |
| Increase (decrease) in net assets attributable to holders of redeemable units per unit | | | |
| Series AA | \$ | (4.17) | \$ 1.61 |
| Series BB | \$ | (4.19) | \$ 1.30 |
| Series FF | \$ | (4.33) | \$ 2.08 |
| Series L | \$ | (3.32) | \$ 1.10 |
| Series O | \$ | (10.00) | \$ – |
| Series T8A | \$ | (1.17) | \$ 0.47 |
| Series T8B | \$ | (1.33) | \$ 0.39 |
| Series T8C | \$ | (1.21) | \$ 0.37 |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)
(In Canadian dollars, in \$000's)

| | Series AA 2023 | Series AA 2021 | Series BB 2023 | Series BB 2021 | Series FF 2023 | Series FF 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$16,044 | \$16,044 | \$355 | \$544 | \$8,198 | \$6,856 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (2,615) | 1,076 | (58) | 26 | (1,231) | 557 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | (1) | - | - | - | (1) | - |
| From capital gains | (15) | (16) | - | - | (7) | (6) |
| Return of capital | (17) | - | (1) | - | (8) | - |
| | (33) | (16) | (1) | - | (16) | (6) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 2,322 | 4,403 | - | - | 1,489 | 1,607 |
| Reinvested distributions | 32 | 861 | 1 | - | 13 | 6 |
| Amount paid for units redeemed | (4,192) | (2,753) | (18) | (215) | (2,232) | (822) |
| | (1,838) | 2,511 | (17) | (215) | (730) | (1,761) |
| Net assets attributable to holders of redeemable units at end of period | \$ 12,139 | \$16,044 | \$ 279 | \$355 | \$ 6,221 | \$8,198 |

| | Series L 2023 | Series L 2021 | Series O 2023 | Series O 2021 | Series T8A 2023 | Series T8A 2021 |
|--|------------------|------------------|------------------|------------------|--------------------|--------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$1,847 | \$2,156 | - | - | \$16,778 | \$17,348 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (294) | 124 | - | - | (2,545) | 1,156 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | - | - | - | - | (61) | - |
| From capital gains | (2) | (2) | - | - | (622) | (129) |
| Return of capital | (2) | - | - | - | (706) | (1,236) |
| | (4) | (2) | - | - | (1,389) | (1,365) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | - | 52 | - | - | 486 | 1,348 |
| Reinvested distributions | 4 | 2 | - | - | 642 | 600 |
| Amount paid for units redeemed | (469) | (485) | - | - | (4,192) | (2,309) |
| | (465) | (431) | - | - | (3,064) | (361) |
| Net assets attributable to holders of redeemable units at end of period | \$ 1,084 | \$1,847 | \$ - | - | \$ 9,780 | \$16,778 |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Series T8B 2023 | Series T8B 2021 | Series T8C 2023 | Series T8C 2021 | Total 2023 | Total 2021 |
|--|--------------------|--------------------|--------------------|--------------------|------------------|---------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$15,414 | \$19,077 | \$1,607 | \$2,369 | \$60,824 | \$64,394 |
| Increase (decrease) in net assets attributable to holders | (2,420) | 1,071 | (252) | 107 | (9,415) | 4,117 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | (48) | – | (5) | – | (116) | – |
| From capital gains | (495) | (133) | (55) | (14) | (1,196) | (300) |
| Return of capital | (561) | (1,274) | (63) | (131) | (1,358) | (2,641) |
| | (1,104) | (1,407) | (123) | (145) | (2,670) | (2,941) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 1 | – | – | – | 4,298 | 6,277 |
| Reinvested distributions | 574 | 692 | 66 | 78 | 1,332 | 1,394 |
| Amount paid for units redeemed | (6,116) | (4,019) | (454) | (802) | (17,673) | (12,417) |
| | (5,541) | (3,327) | (388) | (724) | (12,043) | (4,746) |
| Net assets attributable to holders of redeemable units at end of period | \$ 6,349 | \$15,414 | \$ 844 | \$1,607 | \$ 36,696 | \$60,824 |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)
Statements of Cash Flows
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Note | 2023 | 2021 |
|---|-----------|-----------------------|---------------|
| Cash flows from operating activities | | | |
| Increase (decrease) in net assets attributable to holders of redeemable units from operations | \$ | (9,415) | \$ 4,117 |
| Adjustments: | | | |
| Purchase of investments | | (28,341) | (30,126) |
| Proceeds from disposition of investments | | 43,523 | 39,311 |
| Brokerage commissions | 2 | 3 | 5 |
| Net change in unrealized (appreciation) depreciation of foreign currency | | (6) | 8 |
| Net realized (gain) loss on sale of investments and derivatives | | (3,209) | (3,639) |
| Net change in unrealized (appreciation) depreciation of investments and derivatives | | 12,657 | (531) |
| | | <hr/> | <hr/> |
| Net change in non-cash working capital | | 2 | 24 |
| Net cash from (used in) operating activities | | <hr/> 15,207 | <hr/> 9,169 |
| Cash flows from financing activities | | | |
| Issuance of units | | 4,342 | 6,302 |
| Payment on redemption of units | | (17,612) | (12,441) |
| Distributions paid to holders of redeemable units, net of reinvested distributions | | (1,341) | (3,174) |
| Net cash from (used in) financing activities | | <hr/> (14,611) | <hr/> (9,313) |
| Net increase (decrease) in cash | | 596 | (144) |
| Net change in unrealized (appreciation) depreciation of foreign currency | | 6 | (8) |
| Cash at beginning of period | | 443 | 595 |
| Cash at end of period | \$ | <hr/> 1,052 | <hr/> \$ 443 |
| Dividends received, net of withholding taxes | \$ | 461 | \$ 318 |
| Interest received | \$ | 815 | \$ 765 |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Schedule of Investment Portfolio

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|--|---|--------------|------------|------------------|
| Equities & Investment Funds | | | | |
| Communication Services | | | | |
| 4,600 | BCE Inc. | \$264 | \$278 | |
| 9,974 | TELUS Corp. | 245 | 268 | |
| | | 509 | 546 | 1.5% |
| Consumer Discretionary | | | | |
| 1,800 | TJX Cos Inc. | 191 | 191 | |
| | | 191 | 191 | 0.5% |
| Consumer Staples | | | | |
| 1,920 | Alimentation Couche-Tard Inc. | 120 | 130 | |
| 3,000 | Coca-Cola Co. | 90 | 252 | |
| 621 | Costco Wholesale Corp. | 186 | 418 | |
| 9,031 | Jamieson Wellness Inc. | 232 | 302 | |
| | | 628 | 1,102 | 3.0% |
| Energy | | | | |
| 6,591 | Suncor Energy Inc. | 190 | 277 | |
| 1,169 | TC Energy Corp. | 76 | 61 | |
| | | 266 | 338 | 0.9% |
| Financials | | | | |
| 2,076 | Bank of Montreal | 231 | 250 | |
| 5,909 | Bank of Nova Scotia | 389 | 402 | |
| 2,368 | Brookfield Asset Management Inc., Class 'A' | 56 | 105 | |
| 9,474 | Brookfield Corp. | 413 | 417 | |
| 426 | Marsh & McLennan Cos Inc. | 92 | 96 | |
| 8,910 | Power Corp. of Canada | 287 | 308 | |
| 5,533 | Royal Bank of Canada | 544 | 715 | |
| 4,318 | Sun Life Financial Inc. | 278 | 273 | |
| 4,789 | Toronto-Dominion Bank | 319 | 388 | |
| 1,644 | Visa Inc., Class 'A' | 376 | 502 | |
| | | 2,985 | 3,456 | 9.4% |
| Health Care | | | | |
| 1,332 | Abbott Laboratories | 133 | 183 | |
| 2,672 | CVS Health Corp. | 316 | 269 | |
| 1,018 | Stryker Corp. | 211 | 393 | |
| 663 | UnitedHealth Group Inc. | 328 | 424 | |
| | | 988 | 1,269 | 3.5% |
| Industrials | | | | |
| 1,924 | Cargojet Inc. | 195 | 212 | |
| 296 | Northrop Grumman Corp. | 181 | 185 | |
| 2,021 | Otis Worldwide Corp. | 232 | 231 | |
| 4,218 | Stantec Inc. | 199 | 333 | |
| 2,368 | Waste Connections Inc. | 269 | 445 | |
| | | 1,076 | 1,406 | 3.8% |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Schedule of Investment Portfolio (continued)

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|--|---|--------------|------------|------------------|
| Equities & Investment Funds (continued) | | | | |
| Information Technology | | | | |
| 244 | Accenture PLC | \$90 | \$94 | |
| 358 | Broadcom Inc. | 284 | 311 | |
| 1,700 | Enghouse Systems Ltd | 67 | 65 | |
| 1,134 | Microsoft Corp. | 243 | 442 | |
| 4,145 | Open Text Corp. | 191 | 216 | |
| 2,505 | Oracle Corp. | 149 | 315 | |
| | | 1,024 | 1,443 | 3.9% |
| Investment Funds | | | | |
| 173,445 | Stone Global Growth Fund, Series 'F' | 1,012 | 3,221 | |
| 263,073 | Stone Global Sustainability Fund, Series 'F' | 3,003 | 3,933 | |
| | | 4,015 | 7,154 | 19.5% |
| Materials | | | | |
| 705 | Ecolab Inc. | 99 | 158 | |
| | | 99 | 158 | 0.4% |
| Real Estate | | | | |
| 9,937 | Choice Properties REIT | 131 | 144 | |
| 1,712 | Granite REIT | 129 | 143 | |
| | | 260 | 287 | 0.8% |
| Utilities | | | | |
| 2,620 | AES Corp. | 54 | 85 | |
| 4,530 | Brookfield Infrastructure Partners L.P. | 42 | 207 | |
| 4,660 | Northland Power Inc. | 156 | 158 | |
| 8,675 | TransAlta Corp. | 90 | 103 | |
| | | 342 | 553 | 1.5% |
| Bonds | | | | |
| Corporate Bonds | | | | |
| 76,000 | 407 International Inc., 2.430%, 2027/05/04 | 81 | 72 | |
| 90,000 | 407 International Inc., 3.430%, 2033/06/01 | 104 | 83 | |
| 117,000 | 408 International Inc., 4.450%, 2031/08/14 | 117 | 116 | |
| 130,000 | Algonquin Power & Utilities Corp., 5.250%, 2082/01/18 | 130 | 105 | |
| 228,000 | Algonquin Power Co., 4.600%, 2029/01/29 | 228 | 224 | |
| 326,000 | AT&T Inc., 4.000%, 2025/11/25 | 351 | 321 | |
| 257,000 | AltaGas Ltd., 7.350%, 2082/08/17 | 257 | 250 | |
| | Atlas LuxCo 4 SARL / Allied Universal Holdco LLC | | | |
| 131,000 | Allied Universal Finance Corp., 3.625%, 2028/06/01 | 193 | 159 | |
| 152,000 | AltaLink LP, 4.692%, 2032/11/28 | 152 | 157 | |
| 137,000 | Bank of America Corp., 3.615%, 2028/03/16 | 137 | 130 | |
| 150,000 | Bank of Montreal, 2.850%, 2024/03/06 | 150 | 157 | |
| 249,000 | Bank of Montreal, 3.650%, 2027/04/01 | 246 | 240 | |
| 166,000 | Bank of Nova Scotia, 2.950%, 2027/03/08 | 161 | 156 | |
| 200,000 | Barclays PLC, 2.166%, 2027/06/23 | 200 | 180 | |
| 413,000 | Bell Canada, 2.500%, 2030/05/14 | 374 | 359 | |
| 186,000 | Bell Canada, 3.000%, 2031/03/17 | 175 | 165 | |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Schedule of Investment Portfolio (continued)

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|------------------------------------|---|--------------|------------|------------------|
| Bonds (continued) | | | | |
| Corporate Bonds (continued) | | | | |
| 111,000 | Bell Canada, 5.850%, 2032/11/10 | \$111 | \$119 | |
| 223,000 | Bell Canada, 3.550%, 2026/03/02 | 236 | 217 | |
| 241,000 | Brookfield Renewable Partners ULC, 3.380%, 2030/01/15 | 258 | 222 | |
| 180,000 | Canadian Imperial Bank of Commerce, 5.050%, 2027/10/27 | 178 | 183 | |
| 106,000 | Canadian Imperial Bank of Commerce, 5.33%, 2033/01/20 | 106 | 105 | |
| 227,000 | Canadian Pacific Railway Co., 2.540%, 2028/02/28 | 227 | 209 | |
| 57,000 | Canadian Utilities Ltd., 4.851%, 2052/06/03 | 57 | 56 | |
| 236,000 | Capital Power Corp., 7.95%, 2082/09/09 | 236 | 232 | |
| 369,000 | Capital Power Corp., 4.424%, 2030/02/08 | 364 | 357 | |
| 103,000 | Cu Inc., 4.773%, 2052/09/09 | 106 | 104 | |
| 405,000 | Enbridge Inc., 3.100%, 2033/09/21 | 354 | 340 | |
| 94,000 | Enbridge Inc., 5.375%, 2027/09/27 | 88 | 87 | |
| 80,300 | Enbridge Pipelines Inc., 2.820%, 2031/05/12 | 80 | 70 | |
| 225,000 | EPCOR Utilities Inc., 2.411%, 2031/06/30 | 226 | 197 | |
| 193,000 | Federation Des Caisses Des, 5.200%, 2025/10/01 | 193 | 195 | |
| 139,000 | Ford Credit Canada Co., 6.777%, 2025/09/25 | 139 | 140 | |
| 30,000 | Ford Credit Canada Co., 7.000%, 2026/02/10 | 30 | 30 | |
| 318,000 | General Motors Financial of Canada Ltd., 3.150%, 2027/02/08 | 318 | 294 | |
| 225,000 | Gibson Energy Inc., 3.600%, 2029/09/17 | 227 | 207 | |
| 125,581 | Goldman Sachs Group Inc., 2.013%, 2029/02/28 | 126 | 110 | |
| 330,000 | Hydro One Inc., 2.710%, 2050/02/28 | 235 | 233 | |
| 273,000 | Hydro One Inc., 4.910%, 2028/01/27 | 273 | 282 | |
| 493,000 | Inter Pipeline Ltd., 3.983%, 2031/11/25 | 493 | 443 | |
| 91,000 | Inter Pipeline Ltd., 5.091%, 2051/11/27 | 91 | 79 | |
| 277,000 | Morgan Stanley, 1.779%, 2027/08/04 | 277 | 251 | |
| 271,000 | Ontario Power Generation Inc., 4.922%, 2032/07/19 | 273 | 278 | |
| 222,000 | Reliance L.P., 2.670%, 2028/08/01 | 222 | 196 | |
| 348,000 | Rogers Communications Inc., 3.250%, 2029/05/01 | 319 | 319 | |
| 131,000 | Rogers Communications Inc., 3.650%, 2027/03/31 | 145 | 126 | |
| 200,000 | Royal Bank of Canada, 2.328%, 2027/01/28 | 184 | 184 | |
| 312,000 | Royal Bank of Canada, 5.010%, 2033/02/01 | 313 | 307 | |
| 148,000 | Sun Life Financial Inc., 2.060%, 2035/10/01 | 148 | 119 | |
| 203,000 | TELUS Corp., 2.050%, 2030/10/07 | 195 | 169 | |
| 271,000 | TELUS Corp., 2.750%, 2026/07/08 | 275 | 256 | |
| 188,000 | TELUS Corp., 5.250%, 2032/11/15 | 187 | 192 | |
| 200,000 | Toronto-Dominion Bank, 4.477%, 2031/03/04 | 199 | 199 | |
| 353,000 | Toronto-Dominion Bank, 4.859%, 2028/01/18 | 362 | 349 | |
| 332,000 | TransCanada PipeLines Ltd., 3.800%, 2027/04/05 | 356 | 321 | |
| 100,000 | TransCanada Trust, 4.650%, 2077/05/18 | 92 | 90 | |
| 164,000 | Transurban Finance Co. Pty Ltd., 4.555%, 2028/11/14 | 164 | 161 | |
| 280,000 | Vancouver Airport Authority, 1.760%, 2030/09/20 | 280 | 240 | |
| 239,000 | Verizon Communications Inc., 2.375%, 2028/03/22 | 239 | 217 | |
| 347,000 | Verizon Communications Inc., 2.500%, 2030/05/16 | 333 | 303 | |
| 77,000 | Videotron Ltd., 3.125%, 2031/01/15 | 77 | 62 | |
| 75,000 | VW Credit Canada Inc., 5.800%, 2025/11/17 | 75 | 76 | |
| | | 12,523 | 11,800 | 32.3% |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Schedule of Investment Portfolio (continued)

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|---|--|------------------------|-----------------|---------------------|
| Bonds (continued) | | | | |
| Federal Bonds (6.1%) | | | | |
| 155,000 | Government of Canada, 1.500%, 2031/06/01 | \$144 | \$140 | |
| 380,000 | Government of Canada, 1.750%, 2053/12/01 | 272 | 284 | |
| 409,000 | Government of Canada, 2.000%, 2032/06/01 | 373 | 380 | |
| 330,000 | Government of Canada, 2.000%, 2051/12/01 | 278 | 264 | |
| 280,000 | Government of Canada, 3.750%, 2025/02/01 | 279 | 280 | |
| 241,000 | Government of Canada, 4.000%, 2041/06/01 | 308 | 271 | |
| 520,000 | Government of Canada, 5.000%, 2037/06/01 | 640 | 636 | |
| | | 2,294 | 2,255 | 6.1% |
| Provincial Bonds (9.9%) | | | | |
| 353,000 | Province of Alberta, 3.100%, 2050/06/01 | 388 | 295 | |
| 49,000 | Province of British Columbia, 2.750%, 2052/06/18 | 43 | 38 | |
| 126,000 | Province of British Columbia, 2.800%, 2048/06/18 | 130 | 101 | |
| 193,000 | Province of British Columbia, 2.950%, 2050/06/18 | 205 | 158 | |
| 52,000 | Province of British Columbia, 3.200%, 2044/06/18 | 52 | 45 | |
| 161,000 | Province of Nova Scotia, 4.700%, 2041/06/01 | 225 | 171 | |
| 106,000 | Province of Ontario, 1.900%, 2051/12/02 | 84 | 68 | |
| 916,000 | Province of Ontario, 2.300%, 2024/09/08 | 896 | 893 | |
| 420,000 | Province of Ontario, 2.900%, 2049/06/02 | 448 | 341 | |
| 625,000 | Province of Ontario, 2.550%, 2052/12/02 | 476 | 467 | |
| 22,000 | Province of Quebec, 3.500%, 2045/12/01 | 23 | 20 | |
| 528,000 | Province of Quebec, 3.500%, 2048/12/01 | 628 | 479 | |
| 100,000 | Province of Quebec, 3.750%, 2024/09/01 | 101 | 100 | |
| 340,000 | Province of Quebec, 4.250%, 2043/12/01 | 386 | 347 | |
| 146,000 | Province of Saskatchewan, 2.800%, 2052/12/02 | 148 | 114 | |
| | | 4,233 | 3,637 | 9.9% |
| Brokerage commissions (Note 2) | | (3) | | |
| Total Investments | | \$31,430 | \$35,595 | 97.0% |
| Unrealized Gain (Loss) on Forward Currency Contracts – Schedule A | | | 1 | 0.0% |
| Unrealized Gain (Loss) on Futures Contracts – Schedule B & C | | | (9) | 0.0% |
| Margin | | | 29 | 0.1% |
| Other assets less liabilities | | | 1,080 | 2.9% |
| Total Net Assets | | \$36,696 100.0% | | |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund) Schedule of Investment Portfolio (continued)

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

Schedule A

Foreign Currency Forward Contract(s)

| Counterparty | Credit Rating of the Counterparty | Settlement Date | Currency Buy | Position | Currency Sell | Position | Contract Rates | Unrealized Gain (Loss) (\$) |
|---|---|-----------------|-----------------|----------|------------------|----------|-------------------|-----------------------------------|
| Royal Bank of Canada | A-1+ | June 15, 2023 | CAD | 206 | EUR | 140 | 1.47 | 0 |
| Royal Bank of Canada | A-1+ | June 15, 2023 | CAD | 75 | USD | 55 | 1.37 | 1 |
| Total Foreign Currency Forward Contract(s) Value | | | | | | | | 1 |

Schedule B

Long Futures Contract(s)

| Contract(s) | Name of Future | Expiry Date | Price (\$) | Currency | Contract Value (\$) | Fair Value (\$) |
|---|----------------------|---------------|------------|----------|------------------------|--------------------|
| 1 | Can 2yr Bond Futures | June 21, 2023 | 103.78 | CAD | 103 | 104 |
| Exercise Price (\$) | | | | | | 103 |
| Total Long Futures Contract(s) Value | | | | | | 1 |

Schedule C

Short Futures Contract(s)

| Contract(s) | Name of Future | Expiry Date | Price (\$) | Currency | Contract Value (\$) | Fair Value (\$) |
|--|---------------------------------|---------------|------------|----------|------------------------|-----------------|
| (4) | MTL 10 Yr Canadian Bond Futures | June 21, 2023 | 126.16 | CAD | (499) | (505) |
| (1) | Eurex Bobl (mid-term) Futures | June 8, 2023 | 117.88 | EUR | (169) | (173) |
| Exercise Price (\$) | | | | | | (668) |
| Total Short Futures Contract(s) Value | | | | | | (10) |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Establishment of the Funds (Note 1)

Starlight Global Balanced Fund's (formerly Stone Global Balanced Fund) investment objective is to provide investors access to a global balanced fund seeking capital appreciation and a steady stream of current income.

Fair Value Hierarchy (Note 3)

The tables below summarize the inputs used by the Fund in valuing the Fund's investments carried at fair value.

| | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|---------|---------|---------|--------|
| | \$ | \$ | \$ | \$ |
| Investments as at March 31, 2023 | 17,904 | 17,691 | – | 35,595 |
| Investments as at December 31, 2021 | 36,471 | 23,749 | – | 60,220 |

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

There were no transfers between levels during the periods ended March 31, 2023 and December 31, 2021.

Redeemable Securities (Note 4)

For the period ended March 31, 2023

| | Series AA | Series BB | Series FF | Series L | Series O | Series T8A BB | Series FT8B | Series T8C |
|---|------------|-----------|------------|-----------|----------|---------------|--------------|------------|
| Units outstanding, beginning of period | 663 | 14 | 288 | 99 | – | 2,481 | 2,387 | 254 |
| Units issued | 106 | – | 59 | – | – | 89 | 110 | 12 |
| Units redeemed | (196) | (1) | (92) | (29) | – | (763) | (1,179) | (88) |
| Units reinvested | 2 | – | 1 | – | – | 119 | – | – |
| Units outstanding, end of period | 575 | 13 | 256 | 70 | – | 1,926 | 1,318 | 178 |

For the year ended December 31, 2021

| | Series AA | Series BB | Series FF | Series L | Series O | Series T8A BB | Series FT8B | Series T8C |
|---------------------------------------|------------|-----------|------------|-----------|----------|---------------|--------------|------------|
| Units outstanding, beginning of year | 684 | 23 | 259 | 123 | – | 2,531 | 2,903 | 368 |
| Units issued | 136 | – | 59 | 3 | – | 200 | – | – |
| Units redeemed | (158) | (9) | (30) | (27) | – | (339) | (624) | (126) |
| Units reinvested | 1 | – | – | – | – | 89 | 108 | 12 |
| Units outstanding, end of year | 663 | 14 | 288 | 99 | – | 2,481 | 2,387 | 254 |

Commitments (Note 8)

As of March 31, 2023 and December 31, 2021, the Fund had no commitments.

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11)

(a) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Fund's investment portfolios are monitored on a daily basis by the Manager.

(b) Other Price Risk

As at March 31, 2023 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 35,595 | 97.0 |
| Total market exposure | 35,595 | 97.0 |

As at December 31, 2021 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 60,212 | 96.5 |
| Total market exposure | 60,212 | 96.5 |

As at March 31, 2023, had the prices on the respective stock exchanges increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$1,780 or 4.9% of total net assets (December 31, 2021: \$1,856 or 3.1% of net assets).

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(c) Currency Risk

The Fund holds assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other global currencies fluctuates due to changes in exchange rates.

The table below summarizes the Funds' exposure to currency risks:

March 31, 2023

| Currency | Foreign currency exposure | Forward Currency Contracts | Total | % of net assets |
|----------------------|------------------------------|-------------------------------|-----------------|-----------------|
| United States Dollar | \$11,439 | \$(75) | \$11,364 | 31.0 |
| Euro | 186 | (206) | (20) | (0.1) |
| Total | \$11,625 | \$(281) | \$11,344 | 30.9 |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(c) Currency Risk (continued)

December 31, 2021

| Currency | Foreign currency exposure | Forward Currency Contracts | Total | % of net assets |
|----------------------|---------------------------|----------------------------|-----------------|-----------------|
| British Pound | \$1,053 | \$- | \$1,053 | 1.7 |
| Danish Krone | 415 | - | 415 | 0.7 |
| Euro | 3,933 | (201) | 3,732 | 6.1 |
| Hong Kong Dollar | 274 | - | 274 | 0.4 |
| Japanese Yen | 312 | - | 312 | 0.5 |
| Norwegian Krone | 326 | - | 326 | 0.5 |
| Swedish Krona | 520 | - | 520 | 0.9 |
| Swiss Franc | 703 | - | 703 | 1.2 |
| United States Dollar | 18,230 | (682) | 17,548 | 28.9 |
| Total | \$25,766 | \$(883) | \$24,883 | 40.9 |

As at March 31, 2023, if the exchange rate between the Canadian dollar and the foreign currencies the Fund is exposed to increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$1,134 (December 31, 2021: \$2,488). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

In accordance with the Fund's policy, the Manager monitors currency positions as part of the overall portfolio construction.

(d) Interest Rate Risk

The Fund invests in fixed income securities, such as bonds and money market instruments. In general, when interest rates are rising, the value of these investments is falling and; when interest rates are falling, the value of these investments is rising. Moreover, fixed income securities with longer terms to maturity are usually more sensitive to changes in interest rates.

An increase or decrease of 1% in interest rates would decrease or increase fair value for the period ended March 31, 2023 by \$1,264 and \$1,466, respectively (December 31, 2021: decrease or increase by \$2,113). The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the bonds. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

| Term of Bonds | Less than 1 year | 1-3 years | 3-5 years | Greater than 5 years | Total |
|-------------------|------------------|-----------|-----------|----------------------|--------|
| March 31, 2023 | - | 2,251 | 3,299 | 12,142 | 17,692 |
| December 31, 2021 | 370 | 4,173 | 2,963 | 16,244 | 23,750 |

(e) Credit Risk

When a company or government issues a fixed income or debt security, it has an obligation to pay interest and repay a specific amount on the maturity date. Credit risk is the risk that the company or government will not meet the obligation. Credit risk is lower among issuers that have good credit ratings from recognized credit rating agencies and higher among issuers with a low credit rating or no credit rating at all. These securities usually offer high interest rates to compensate for the increased risk. Changes in the credit risk of a security can affect its liquidity, making it more difficult to sell.

The fund is also exposed to counterparty credit risk on currency forward contracts. The counterparty credit risk for currency forward contracts is managed by using counterparties with minimum credit ratings of A and limiting the term of currency forward contracts to 30 days. The credit rating of the counterparty to the Fund's currency forward contract was A-1+ as at March 31, 2023 (December 31, 2021: R-1(H)).

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

(e) Credit Risk (continued)

The Fund and underlying investment funds were invested in debt securities as a percent of net assets with the following credit ratings:

| Rating* | As at March 31, 2023 | As at December 31, 2022 |
|--------------|----------------------|-------------------------|
| | % of NAV | % of NAV |
| AAA | 6.1 | 9.6 |
| AA | 4.9 | 8.3 |
| A | 15.0 | 6.1 |
| BBB | 19.6 | 10.7 |
| Below BBB | 2.7 | 0.3 |
| Unrated | 0 | 4.1 |
| Total | 48.3 | 39.1 |

*Credit ratings obtained from DBRS Morningstar.

(f) Liquidity Risk

As at March 31, 2023 and December 31, 2021 the Fund had no significant exposure to liquidity risk. Liabilities consist of independent review committee fees payable, operating expenses payable and management fees payable, all of which are expected to be settled within 90 days.

Redeemable units are redeemable on demand at the holder's option. The Fund's liquid investments are considered to be in excess of the redemption requirements.

(g) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. A summary of the Fund's concentration risk by industry sector can be found in the Fund's Schedule of Investment Portfolio.

The Fund's investments were concentrated in the following sectors:

| Sector | As at March 31, 2023 | As at December 31, 2022 |
|--------------------------|----------------------|-------------------------|
| | % of NAV | % of NAV |
| Corporate Bonds | 32.3 | 23.2 |
| Investment Funds | 19.5 | 34.0 |
| Provincial Bonds | 9.9 | 6.3 |
| Financials | 9.4 | 8.4 |
| Federal Bonds | 6.1 | 9.6 |
| Information Technology | 3.9 | – |
| Industrials | 3.8 | 3.0 |
| Health Care | 3.5 | 2.2 |
| Consumer Staples | 3.0 | – |
| Utilities | 1.5 | 2.2 |
| Communication Services | 1.5 | – |
| Energy | 0.9 | 0.9 |
| Real Estate | 0.8 | 1.4 |
| Consumer Discretionary | 0.5 | – |
| Materials | 0.4 | – |
| Technology | – | 4.6 |
| Consumer Non-Cyclicals | – | 1.8 |
| Consumer Cyclicals | – | 0.9 |
| Basic Materials | – | 0.5 |
| Total investments | 97.0 | 99.0 |

Starlight Global Balanced Fund (formerly Stone Global Balanced Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Interest in non-consolidated structured entities (Note 12)

| | March 31, 2023 | | December 31, 2021 | |
|---|--|------------------------------|--|------------------------------|
| | Fair Value of investment in Underlying Funds \$ | Percentage of ownership % | Fair Value of investment in Underlying Funds \$ | Percentage of ownership % |
| Non-consolidated structured entities | | | | |
| Stone Global Growth Fund, Series F | 3,221 | 0 | 8,610 | 4.2 |
| Stone Global Sustainability Fund, Series F | 3,933 | 0.4 | 12,043 | 45.7 |

Related parties (Note 13)

(a) Management fees

The Fund's investment activities are managed by the Manager. The management fees for the period ended March 31, 2023 amounted to \$946 (December 31, 2021: \$945), with \$38 in outstanding accrued management fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(b) Operating fees

The Manager is paid operating fees from the Fund for the day-to-day operational services. The operating fees for the period ended March 31, 2023 amounted to \$273 (December 31, 2021: \$285), with \$16 in outstanding accrued operating fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(c) Performance fees

The Manager is paid a performance fee from the Fund where a series rate of return exceeds the Fund's benchmark return up to a maximum of 0.30% (see Note 6). The performance fee for the period ended March 31, 2023 amounted to \$nil (December 31, 2021: \$nil), with \$nil in outstanding accrued performance fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(d) Unit transactions with related parties

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business on the same basis as arms-length investors. As at March 31, 2023, the Manager, including officers and directors, owned nil units of the Fund (December 31, 2021: 121).

Weighted average number of securities

The following table illustrates the weighted average number of securities for the periods ending March 31, 2023 and December 31, 2021:

| Series | March 31, 2023 | December 31, 2021 |
|------------|----------------|-------------------|
| Series AA | 627 | 669 |
| Series BB | 14 | 20 |
| Series FF | 285 | 267 |
| Series L | 89 | 113 |
| Series O | — | — |
| Series T8A | 2,176 | 2,497 |
| Series T8B | 1,817 | 2,693 |
| Series T8C | 207 | 286 |

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Statements of Financial Position

(In Canadian dollars, in \$000's except per unit amounts)

| As at | Note | March 31, 2023 | December 31, 2021 |
|---|------|-------------------|-------------------|
| Assets | | | |
| Current Assets | | | |
| Investments (Cost: March 31, 2023 - \$89,329, December 31, 2021 - \$117,386) | | \$ 130,365 | \$ 201,841 |
| Cash | | 1,742 | 2,613 |
| Subscriptions receivable | | 15 | 557 |
| Receivable for investments sold | | 454 | – |
| Dividends receivable | | 265 | 168 |
| Total Assets | | \$ 132,841 | \$ 205,179 |
| Liabilities | | | |
| Current Liabilities | | | |
| Redemptions payable | | 632 | 277 |
| Accounts payable and accrued liabilities | | 211 | – |
| Total Liabilities (excluding Net Assets attributable to unitholders of redeemable units) | | \$ 843 | \$ 277 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series A | | \$ 56,668 | 78,191 |
| Series B | | – | 1,040 |
| Series F | | 71,728 | 110,402 |
| Series L | | – | 7,946 |
| Series O | | 442 | 945 |
| Series T8A | | 3,160 | 6,378 |
| | | \$ 131,998 | \$ 204,902 |
| Number of redeemable units outstanding | | | |
| | 4 | | |
| Series A | | 3,781 | 4,173 |
| Series B | | – | 61 |
| Series F | | 3,862 | 4,823 |
| Series L | | – | 181 |
| Series O | | 47 | 83 |
| Series T8A | | 353 | 501 |
| | | 3,543 | 4,722 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series A | | \$ 14.99 | \$ 18.74 |
| Series B | | \$ – | \$ 16.99 |
| Series F | | \$ 18.57 | \$ 22.89 |
| Series L | | \$ – | \$ 43.97 |
| Series O | | \$ 9.37 | \$ 11.35 |
| Series T8A | | \$ 8.94 | \$ 12.74 |

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Statements of Comprehensive Income

For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's except per unit amounts)

| | Note | 2023 | 2021 |
|---|------|--------------------|------------------|
| Income | | | |
| Net gain (loss) on investments | | | |
| Dividend income | \$ | 2,146 | \$ 1,159 |
| Interest for distribution purposes | | 21 | – |
| Net realized gain (loss) on sale of investments and derivatives | | 2,661 | 13,819 |
| Net change in unrealized appreciation (depreciation) of investments and derivatives | | (43,419) | 16,560 |
| Other Income items | | | |
| Realized foreign exchange gain (loss) on cash | | (390) | – |
| Net change in unrealized appreciation (depreciation) of foreign currency | | 3 | (222) |
| Total income (loss) | | (38,978) | 31,316 |
| Expenses | | | |
| Management fees | 13 | 2,848 | 2,918 |
| Securityholder reporting costs | | 420 | 354 |
| Transfer agency fees | | 167 | 141 |
| Brokerage commissions | 2 | 96 | 76 |
| Audit fees | | 58 | 40 |
| Custodian fees | | 56 | 62 |
| Filing fees | | 30 | 24 |
| Legal fees | | 13 | 12 |
| Independent Review Committee fees | | 3 | 6 |
| Interest expense | | 1 | – |
| Total expenses | | 3,692 | 3,633 |
| Expenses waived/absorbed by the Manager | | (54) | – |
| Investment profit (loss) before tax | | (42,616) | 27,683 |
| Withholding taxes on foreign income | | 214 | 115 |
| Increase (decrease) in net assets attributable to holders of redeemable units | | \$ (42,830) | \$ 27,568 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | | | |
| Series A | | (15,950) | 10,177 |
| Series B | | (268) | 157 |
| Series F | | (22,786) | 15,347 |
| Series L | | (2,218) | 1,135 |
| Series O | | (205) | 40 |
| Series T8A | | (1,403) | 712 |
| | | \$ (42,830) | \$ 27,568 |
| Increase (decrease) in net assets attributable to holders of redeemable units per unit | | | |
| Series A | \$ | (4.07) | \$ 2.57 |
| Series B | \$ | (5.08) | \$ 2.22 |
| Series F | \$ | (5.01) | \$ 3.36 |
| Series L | \$ | (15.19) | \$ 5.61 |
| Series O | \$ | (2.83) | \$ 1.14 |
| Series T8A | \$ | (3.94) | \$ 1.70 |

Starlight Global Growth Fund (formerly Stone Global Growth Fund)
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Series A 2023 | Series A 2021 | Series B 2023 | Series B 2021 | Series F 2023 | Series F 2021 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$78,191 | \$63,417 | \$1,040 | \$1,108 | \$110,402 | \$83,673 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (15,950) | 10,177 | (268) | 157 | (22,786) | 15,347 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | - | - | - | - | - | - |
| From capital gains | - | - | - | - | - | - |
| Return of capital | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 14,589 | 17,295 | - | - | 14,895 | 19,753 |
| Reinvested distributions | - | - | - | - | - | - |
| Amount paid for units redeemed | (20,162) | (12,698) | (772) | (225) | (30,783) | (8,371) |
| | (5,573) | 4,597 | (772) | (225) | (15,888) | 11,382 |
| Net assets attributable to holders of redeemable units at end of period | \$ 56,668 | \$78,191 | \$ - | \$1,040 | \$ 71,728 | \$110,402 |

| | Series L 2023 | Series L 2021 | Series O 2023 | Series O 2021 | Series T8A 2023 | Series T8A 2021 |
|--|------------------|------------------|------------------|------------------|--------------------|--------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$7,946 | \$8,701 | \$945 | \$- | \$6,378 | \$3,853 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (2,218) | 1,135 | (205) | 40 | (1,403) | 712 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | - | - | - | - | - | - |
| From capital gains | - | - | - | - | - | - |
| Return of capital | - | - | - | - | (522) | (403) |
| | - | - | - | - | (522) | (403) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 15 | 1 | 257 | 937 | 288 | 2,822 |
| Reinvested distributions | - | - | - | - | 181 | 127 |
| Amount paid for units redeemed | (5,743) | (1,891) | (555) | (32) | (1,762) | (733) |
| | (5,728) | (1,890) | (298) | 905 | (1,293) | 2,216 |
| | | | | - | | |
| Net assets attributable to holders of redeemable units at end of period | \$ - | \$7,946 | \$442 | \$945 | \$3,160 | \$6,378 |

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued) For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Total 2023 | Total 2021 |
|--|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$204,902 | \$160,752 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (42,830) | 27,568 |
| Distributions to holders from redeemable units | | |
| From dividends | - | - |
| From capital gains | - | - |
| Return of capital | (522) | (403) |
| | (522) | (403) |
| Redeemable unit transactions (Note 4) | | |
| Proceeds from sale of units | 30,044 | 40,808 |
| Reinvested distributions | 181 | 127 |
| Amount paid for units redeemed | (59,777) | (23,950) |
| | (29,552) | 16,985 |
| Net assets attributable to holders of redeemable units at end of period | \$131,998 | \$204,902 |

Starlight Global Growth Fund (formerly Stone Global Growth Fund)
Statements of Cash Flows
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Note | 2023 | 2021 |
|---|------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Increase (decrease) in net assets attributable to holders of redeemable units from operations | \$ | (42,830) | \$ 27,568 |
| Adjustments: | | | |
| Purchase of investments | | (35,193) | (54,402) |
| Proceeds from disposition of investments | | 65,361 | 39,080 |
| Brokerage commissions | 2 | 96 | 76 |
| Net change in unrealized (appreciation) depreciation of foreign currency | | (3) | 222 |
| Net realized (gain) loss on sale of investments and derivatives | | (2,661) | (13,819) |
| Net change in unrealized (appreciation) depreciation of investments and derivatives | | 43,419 | (16,560) |
| | | 28,189 | (17,835) |
| Net change in non-cash working capital | | 114 | (508) |
| Net cash from (used in) operating activities | | 28,303 | (18,343) |
| Cash flows from financing activities | | | |
| Issuance of units | | 30,586 | 40,425 |
| Payment on redemption of units | | (59,422) | (23,712) |
| Distributions paid to holders of redeemable units, net of reinvested distributions | | (341) | (276) |
| Net cash from (used in) financing activities | | (29,177) | 16,437 |
| Net increase (decrease) in cash | | (874) | (1,906) |
| Net change in unrealized (appreciation) depreciation of foreign currency | | 3 | (222) |
| Cash at beginning of period | | 2,613 | 4,741 |
| Cash at end of period | | \$ 1,742 | \$ 2,613 |
| Dividends received, net of withholding taxes | \$ | 1,835 | \$ 951 |
| Interest received | \$ | 21 | \$ - |

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Schedule of Investment Portfolio

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-----------------------|-------------------------------------|---------------|---------------|------------------|
| France | | | | |
| 9,843 | EssilorLuxottica SA | \$2,093 | \$2,402 | |
| 1,186 | Hermes International | 1,044 | 3,251 | |
| 4,541 | L'Oréal SA | 1,770 | 2,746 | |
| 2,229 | LVMH Moët Hennessy Louis Vuitton SE | 2,018 | 2,767 | |
| 7,300 | Remy Cointreau SA | 1,722 | 1,803 | |
| 4,663 | Sartorius Stedim Biotech | 505 | 1,933 | |
| 10,419 | Schneider Electric SE | 2,174 | 2,354 | |
| | | <u>11,326</u> | <u>17,256</u> | <u>13.1%</u> |
| Germany | | | | |
| 2,200 | Rational AG | 878 | 1,996 | |
| | | <u>878</u> | <u>1,996</u> | <u>1.5%</u> |
| Ireland | | | | |
| 4,966 | Accenture PLC | 2,537 | 1,921 | |
| 5,750 | New Linde PLC | 1,722 | 2,740 | |
| | | <u>4,259</u> | <u>4,661</u> | <u>3.5%</u> |
| Netherlands | | | | |
| 933 | Adyen NV | 1,776 | 2,002 | |
| 2,993 | ASML Holding NV | 1,173 | 2,751 | |
| | | <u>2,949</u> | <u>4,753</u> | <u>3.6%</u> |
| Spain | | | | |
| 32,322 | Cellnex Telecom SA | 2,067 | 1,699 | |
| | | <u>2,067</u> | <u>1,699</u> | <u>1.3%</u> |
| Sweden | | | | |
| 71,229 | Sandvik AB | 1,673 | 2,043 | |
| | | <u>1,673</u> | <u>2,043</u> | <u>1.5%</u> |
| Switzerland | | | | |
| 7,277 | Chubb Ltd. | 2,190 | 1,912 | |
| 2,647 | Lonza Group AG, Registered | 819 | 2,147 | |
| 1,448 | Partners Group Holding AG | 1,203 | 1,838 | |
| 5,081 | Sika AG, Registered | 1,685 | 1,923 | |
| | | <u>5,897</u> | <u>7,820</u> | <u>5.9%</u> |
| United Kingdom | | | | |
| 54,407 | Compass Group PLC | 1,718 | 1,851 | |
| 32,835 | Diageo PLC | 1,992 | 1,986 | |
| 182,625 | Howden Joinery Group PLC | 2,233 | 2,133 | |
| 16,393 | Next PLC | 1,794 | 1,803 | |
| 214,053 | Rightmove PLC | 1,263 | 2,017 | |
| | | <u>9,000</u> | <u>9,790</u> | <u>7.4%</u> |

Starlight Global Growth Fund (formerly Stone Global Growth Fund)
Schedule of Investment Portfolio (continued)
As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-------------------------|--|-----------------|------------------|---------------------|
| United States | | | | |
| 16,000 | Alphabet Inc., Class 'C' | \$1,197 | \$2,252 | |
| 11,928 | Amazon.com Inc. | 311 | 1,667 | |
| 23,013 | Amphenol Corp., Class 'A' | 1,175 | 2,545 | |
| 9,172 | Apple Inc. | 2,015 | 2,047 | |
| 32,029 | Boston Scientific Corp. | 1,606 | 2,169 | |
| 9,701 | Broadridge Financial Solutions Inc. | 1,057 | 1,924 | |
| 22,368 | Charles Schwab Corp. | 2,301 | 1,586 | |
| 3,770 | Cintas Corp. | 1,377 | 2,361 | |
| 8,418 | CME Group Inc. | 2,256 | 2,182 | |
| 26,015 | Coca-Cola Co. | 1,984 | 2,184 | |
| 19,622 | CoStar Group Inc. | 1,101 | 1,828 | |
| 4,169 | Costco Wholesale Corp. | 1,505 | 2,803 | |
| 4,700 | Deere & Co. | 2,046 | 2,626 | |
| 16,221 | Dexcom Inc. | 1,761 | 2,550 | |
| 8,784 | Equifax Inc. | 3,715 | 3,883 | |
| 7,150 | Estée Lauder Cos. Inc., Class 'A' | 1,577 | 2,385 | |
| 4,886 | Home Depot Inc. | 1,909 | 1,951 | |
| 3,283 | IDEXX Laboratories Inc. | 1,093 | 2,222 | |
| 4,150 | Intuit Inc. | 913 | 2,504 | |
| 5,726 | Intuitive Surgical Inc. | 1,942 | 1,980 | |
| 9,600 | J.B. Hunt Transport Services Inc. | 1,797 | 2,280 | |
| 22,982 | Liberty Media Corp.-Liberty Formula One, Class 'C' | 1,979 | 2,327 | |
| 5,300 | Martin Marietta Materials Inc. | 1,781 | 2,547 | |
| 5,077 | Mastercard Inc., Class 'A' | 470 | 2,497 | |
| 5,010 | McDonald's Corp. | 1,662 | 1,896 | |
| 7,500 | Microsoft Corp. | 1,212 | 2,926 | |
| 22,566 | Mondelez International Inc., Class 'A' | 1,805 | 2,129 | |
| 9,261 | NVIDIA Corp. | 556 | 3,482 | |
| 43,535 | Rollins Inc. | 695 | 2,211 | |
| 4,581 | S&P Global Inc. | 743 | 2,137 | |
| 6,066 | Sherwin-Williams Co. | 1,481 | 1,845 | |
| 24,118 | TJX Cos. Inc. | 1,777 | 2,558 | |
| 10,348 | Visa Inc., Class 'A' | 1,080 | 3,157 | |
| 14,376 | Waste Connections Inc. | 1,568 | 2,706 | |
| | | 51,447 | 80,347 | 61.0% |
| | Brokerage commissions (Note 2) | (167) | | |
| | Total Investments | \$89,329 | \$130,365 | 98.8% |
| | Other assets less liabilities | | 1,633 | 1.2% |
| | Total Net Assets | | \$131,998 | 100% |

* Percentage of net assets shown relates to the amounts at fair value to the net assets attributable to holders of redeemable securities.

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Establishment of the Funds (Note 1)

Starlight Global Growth Fund's (formerly Stone Global Growth Fund) investment objective is to provide superior long-term investment returns through capital growth.

Fair Value Hierarchy (Note 3)

The tables below summarize the inputs used by the Fund in valuing the Fund's investments carried at fair value.

| | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|----------------|---------|---------|----------------|
| | \$ | \$ | \$ | \$ |
| Investments as at March 31, 2023 | 130,365 | – | – | 130,365 |
| Investments as at December 31, 2021 | 201,841 | – | – | 201,841 |

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

There were no transfers between levels during the periods ended March 31, 2023 and December 31, 2021.

Redeemable Securities (Note 4)

For the period ended March 31, 2023

| | Series A | Series B | Series F | Series L | Series O | Series T8C |
|---|--------------|----------|--------------|----------|-----------|------------|
| Units outstanding, beginning of period | 4,173 | 61 | 4,823 | 181 | 83 | 501 |
| Units issued | 1,031 | – | 827 | – | 28 | 32 |
| Units redeemed | (1,423) | (61) | (1,788) | (181) | (64) | (200) |
| Units reinvested | – | – | – | – | – | – |
| Units outstanding, end of period | 3,781 | – | 3,862 | – | 47 | 353 |

For the year ended December 31, 2021

| | Series A | Series B | Series F | Series L | Series O | Series T8C |
|---------------------------------------|--------------|-----------|--------------|------------|-----------|------------|
| Units outstanding, beginning of year | 3,918 | 75 | 4,279 | 228 | – | 324 |
| Units issued | 1,004 | – | 940 | – | 86 | 226 |
| Units redeemed | (749) | (14) | (396) | (47) | (3) | (59) |
| Units reinvested | – | – | – | – | – | 10 |
| Units outstanding, end of year | 4,173 | 61 | 4,823 | 181 | 83 | 501 |

Commitments (Note 8)

As of March 31, 2023 and December 31, 2021, the Fund had no commitments.

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11)

(a) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Fund's investment portfolios are monitored on a daily basis by the Manager.

(b) Other Price Risk

As at March 31, 2023 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 130,365 | 98.8 |
| Total market exposure | 130,365 | 98.8 |

As at December 31, 2021 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 201,841 | 98.5 |
| Total market exposure | 201,841 | 98.5 |

As at March 31, 2023, had the prices on the respective stock exchanges increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$6,518 or 4.9% of total net assets (December 31, 2021: \$10,777 or 5.3% of net assets).

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(c) Currency Risk

The Fund holds assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other global currencies fluctuate due to changes in exchange rates.

The table below summarizes the Funds' exposure to currency risks:

March 31, 2023

| | Currency exposure \$ | % of Total Net Assets |
|----------------------|-------------------------|--------------------------|
| Currency type | | |
| United States Dollar | 84,387 | 63.9 |
| Euro | 28,552 | 21.6 |
| British Pound | 10,207 | 7.7 |
| Swiss Franc | 5,923 | 4.5 |
| Swedish Krona | 2,043 | 1.5 |
| Total | 131,112 | 99.2 |

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(c) Currency Risk (continued)

December 31, 2021

| Currency type | Currency exposure \$ | % of Total Net Assets |
|----------------------|-------------------------|--------------------------|
| British Pound | 12,022 | 5.9 |
| Euro | 37,068 | 18.1 |
| Swedish Krona | 5,925 | 2.9 |
| Swiss Franc | 10,580 | 5.1 |
| United States Dollar | 136,257 | 66.5 |
| Total | 201,852 | 98.5 |

As at March 31, 2023, if the exchange rate between the Canadian dollar and the foreign currencies the Fund is exposed to increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$1,311 (December 31, 2021: \$20,185). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

In accordance with the Fund's policy, the Manager (as defined below) monitors currency positions as part of the overall portfolio construction.

(d) Interest Rate Risk

The majority of the Fund's financial assets and liabilities are non-interest bearing as at March 31, 2023 and December 31, 2021. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(e) Credit Risk

As at March 31, 2023 and December 31, 2021, the Fund did not have any credit risk exposure.

(f) Liquidity Risk

As at March 31, 2023 and December 31, 2021 the Fund had no significant exposure to liquidity risk. Liabilities consist of independent review committee fees payable, operating expenses payable and management fees payable, all of which are expected to be settled within 90 days.

Redeemable units are redeemable on demand at the holder's option. The Fund's liquid investments are considered to be in excess of the redemption requirements.

(g) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. A summary of the Fund's concentration risk by industry sector can be found in the Fund's Schedule of Investment Portfolio.

Starlight Global Growth Fund (formerly Stone Global Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(g) Concentration Risk (continued)

The Fund's investments were concentrated in the following geographies:

| Country | As at March 31, 2023 % of NAV | As at December 31, 2021 % of NAV |
|--------------------------|----------------------------------|-------------------------------------|
| United States | 61.0 | 62.3 |
| France | 13.1 | 8.8 |
| United Kingdom | 7.4 | 7.6 |
| Switzerland | 5.9 | 5.2 |
| Netherlands | 3.6 | 1.9 |
| Ireland | 3.5 | 3.0 |
| Germany | 1.5 | 4.1 |
| Sweden | 1.5 | 2.9 |
| Spain | 1.3 | 1.5 |
| Total investments | 98.8 | 98.5 |

Related parties (Note 13)

(a) Management fees

The Fund's investment activities are managed by the Manager. The management fees for the period ended March 31, 2023 amounted to \$2,848 (December 31, 2021: \$2,918), with \$159 in outstanding accrued management fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(b) Operating fees

The Manager is paid operating fees from the Fund for the day-to-day operational services. The operating fees for the period ended March 31, 2023 amounted to \$587 (December 31, 2021: \$639), with \$31 in outstanding accrued operating fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(c) Performance fees

The Manager is paid a performance fee from the Fund where a series rate of return exceeds the Fund's benchmark return up to a maximum of 0.30% (see Note 6). The performance fee for the period ended March 31, 2023 amounted to \$nil (December 31, 2021: \$nil), with \$nil in outstanding accrued performance fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(d) Unit transactions with related parties

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business on the same basis as arms-length investors. As at March 31, 2023, the Manager, including officers and directors, owned nil units of the Fund (December 31, 2021: 524).

Weighted average number of securities

The following table illustrates the weighted average number of securities for the periods ending March 31, 2023 and December 31 2021:

| Series | March 31, 2023 | December 31, 2021 |
|------------|----------------|-------------------|
| Series A | 3,915 | 3,974 |
| Series B | 53 | 71 |
| Series F | 4,553 | 4,573 |
| Series L | 146 | 202 |
| Series O | 72 | 35 |
| Series T8A | 356 | 420 |

Starlight North American Equity Fund (formerly Stone Growth Fund)

Statements of Financial Position

(In Canadian dollars, in \$000's except per unit amounts)

| As at | Note | March 31, 2023 | December 31, 2021 |
|---|------|------------------|-------------------|
| Assets | | | |
| Current Assets | | | |
| Investments (Cost: March 31, 2023 - \$18,896, December 31, 2021 - \$24,299) | \$ | 25,291 | \$ 36,933 |
| Cash | | 5,054 | 1,316 |
| Subscriptions receivable | | 1 | 26 |
| Receivable for distribution from investments | | 8 | — |
| Dividends receivable | | 23 | 24 |
| Total Assets | | \$ 30,377 | \$ 38,299 |
| Liabilities | | | |
| Current Liabilities | | | |
| Payable for investments purchased | | 7 | — |
| Redemptions payable | | 8 | 44 |
| Accounts payable and accrued liabilities | | 77 | 1 |
| Total Liabilities (excluding Net Assets attributable to unitholders of redeemable units) | | \$ 92 | \$ 45 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series A | \$ | 7,535 | 6,681 |
| Series B | | — | 3,312 |
| Series F | | 3,619 | 3,593 |
| Series L | | — | 492 |
| Series O | | 40 | 36 |
| Series PTF* | | 537 | 411 |
| Series R | | 14,168 | 20,925 |
| Series R2 | | 2,313 | — |
| Series T8A | | 2,073 | 1,286 |
| Series T8B | | — | 1,168 |
| Series T8C | | — | 350 |
| | | \$ 30,285 | \$ 38,254 |
| Number of redeemable units outstanding | | | |
| | 4 | | |
| Series A | | 377 | 318 |
| Series B | | — | 177 |
| Series F | | 140 | 134 |
| Series L | | — | 18 |
| Series O | | 3 | 3 |
| Series PTF* | | 46 | 34 |
| Series R | | 1,170 | 1,632 |
| Series R2 | | 190 | — |
| Series T8A | | 383 | 203 |
| Series T8B | | — | 199 |
| Series T8C | | — | 59 |
| Net Assets attributable to holders of redeemable units per series | | | |
| Series A | \$ | 19.97 | \$ 20.99 |
| Series B | \$ | — | \$ 18.76 |
| Series F | \$ | 25.88 | \$ 26.84 |
| Series L | \$ | — | \$ 27.19 |
| Series O | \$ | 11.65 | \$ 11.79 |
| Series PTF* | \$ | 11.69 | \$ 12.04 |
| Series R | \$ | 12.11 | \$ 12.83 |
| Series R2 | \$ | 12.16 | \$ — |
| Series T8A | \$ | 5.41 | \$ 6.32 |
| Series T8B | \$ | — | \$ 5.88 |
| Series T8C | \$ | — | \$ 5.91 |

*Inception date March 22, 2021

Starlight North American Equity Fund (formerly Stone Growth Fund)

Statements of Comprehensive Income

For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's except per unit amounts)

| | Note | 2023 | 2021 |
|---|------|-------------------|-----------------|
| Income | | | |
| Net gain (loss) on investments | | | |
| Dividend income | \$ | 418 | \$ 335 |
| Interest for distribution purposes | | 38 | – |
| Income distributions from investments | | 8 | – |
| Net realized gain (loss) on sale of investments and derivatives | | 4,459 | 1,132 |
| Net change in unrealized appreciation (depreciation) of investments and derivatives | | (6,239) | 6,887 |
| Other Income items | | | |
| Realized foreign exchange gain (loss) on cash | | 269 | – |
| Net change in unrealized appreciation (depreciation) of foreign currency | | 135 | 73 |
| Total income (loss) | | (912) | 8,427 |
| Expenses | | | |
| Management fees | 13 | 908 | 904 |
| Securityholder reporting costs | | 188 | 193 |
| Transfer agency fees | | 87 | 81 |
| Filing fees | | 34 | 12 |
| Audit fees | | 27 | 28 |
| Brokerage commissions | 2 | 22 | 5 |
| Custodian fees | | 17 | 21 |
| Interest expense | | 5 | 2 |
| Independent Review Committee fees | | 3 | 1 |
| Legal fees | | 3 | 4 |
| Performance fees | | – | 1 |
| Total expenses | | 1,294 | 1,251 |
| Expenses waived/absorbed by the Manager | | 7 | – |
| Investment profit (loss) before tax | | (2,213) | 7,176 |
| Withholding taxes on foreign income | | 44 | 30 |
| Increase (decrease) in net assets attributable to holders of redeemable units | | \$ (2,257) | \$ 7,146 |
| Increase (decrease) in net assets attributable to holders of redeemable units per series | | | |
| Series A | | (311) | 1,210 |
| Series B | | (307) | 601 |
| Series F | | (103) | 672 |
| Series L | | (50) | 88 |
| Series O | | – | 4 |
| Series PTF* | | (6) | 58 |
| Series R | | (1,631) | 3,928 |
| Series R2 | | 311 | – |
| Series T8A | | (6) | 248 |
| Series T8B | | (119) | 258 |
| Series T8C | | (35) | 79 |
| | | \$ (2,257) | \$ 7,146 |
| Increase (decrease) in net assets attributable to holders of redeemable units per unit | | | |
| Series A | \$ | (1.00) | \$ 3.70 |
| Series B | \$ | (2.06) | \$ 3.21 |
| Series F | \$ | (0.65) | \$ 4.98 |
| Series L | \$ | (2.83) | \$ 4.64 |
| Series O | \$ | (0.03) | \$ 1.57 |
| Series PTF* | \$ | (0.15) | \$ 2.23 |
| Series R | \$ | (1.18) | \$ 2.17 |
| Series R2 | \$ | 1.57 | \$ – |
| Series T8A | \$ | (0.02) | \$ 1.14 |
| Series T8B | \$ | (0.74) | \$ 1.03 |
| Series T8C | \$ | (0.64) | \$ 1.04 |

*Inception date March 22, 2021

Starlight North American Equity Fund (formerly Stone Growth Fund)
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Series A 2023 | Series A 2021 | Series B 2023 | Series B 2021 | Series F 2023 | Series F 2021 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$6,681 | \$5,800 | \$3,312 | \$3,084 | \$3,593 | \$2,815 |
| Increase (decrease) in net assets attributable to holders of | (311) | 1,210 | (307) | 601 | (103) | 672 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | - | - | - | - | - | - |
| From capital gains | - | - | - | - | - | - |
| Return of capital | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | 3,378 | 595 | - | - | 1,561 | 521 |
| Reinvested distributions | - | - | - | - | - | - |
| Amount paid for units redeemed | (2,213) | (924) | (3,005) | (373) | (1,432) | (415) |
| | 1,165 | (329) | (3,005) | (373) | 129 | 106 |
| Net assets attributable to holders of redeemable units at end of | \$ 7,535 | \$6,681 | \$ - | \$3,312 | \$ 3,619 | \$3,593 |

| | Series L 2023 | Series L 2021 | Series O 2023 | Series O 2021 | Series PTF 2023 | Series PTF 2021 |
|--|------------------|------------------|------------------|------------------|--------------------|--------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$492 | \$471 | \$36 | \$- | \$411 | \$- |
| Increase (decrease) in net assets attributable to holders of redeemable units | (50) | 88 | - | 4 | (6) | 58 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | - | - | - | - | - | - |
| From capital gains | - | - | - | - | - | - |
| Return of capital | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | - | - | 6 | 36 | 213 | 481 |
| Reinvested distributions | - | - | - | - | - | - |
| Amount paid for units redeemed | (442) | (67) | (2) | (4) | (81) | (128) |
| | (442) | (67) | 4 | 32 | 132 | 353 |
| Net assets attributable to holders of redeemable units at end of | \$ - | \$492 | \$40 | \$36 | \$537 | \$411 |

The accompanying notes are an integral part of these financial statements.

Starlight North American Equity Fund (formerly Stone Growth Fund)
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)
(In Canadian dollars, in \$000's)

| | Series R 2023 | Series R 2021 | Series R2 | Series R2 | Series T8A 2023 | Series T8A 2021 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Net assets attributable to holders of redeemable units at beginning of period | \$20,925 | \$21,730 | \$ – | \$ – | \$1,286 | \$1,257 |
| Increase (decrease) in net assets attributable to holders of | (1,631) | 3,928 | 311 | – | (6) | 248 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | – | – | – | – | – | – |
| From capital gains | – | – | – | – | – | – |
| Return of capital | – | – | – | – | (173) | – |
| | – | – | – | – | (173) | – |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | – | – | 2,174 | – | 1,217 | 7 |
| Reinvested distributions | – | – | – | – | 24 | 8 |
| Amount paid for units redeemed | (5,126) | (4,733) | (172) | – | (275) | (137) |
| | (5,126) | (4,733) | 2,002 | – | 966 | (122) |
| Net assets attributable to holders of redeemable units at end of | \$14,168 | \$20,925 | \$2,313 | \$– | \$2,073 | \$1,286 |
| | | | | | | |
| | Series T8B 2023 | Series T8B 2021 | Series T8C 2023 | Series T8C 2021 | Total 2023 | Total 2021 |
| Net assets attributable to holders of redeemable units at beginning of period | \$1,168 | \$1,564 | \$350 | \$460 | \$38,254 | \$37,181 |
| Increase (decrease) in net assets attributable to holders of redeemable units | (119) | 258 | (35) | 79 | (2,257) | 7,146 |
| Distributions to holders from redeemable units | | | | | | |
| From dividends | – | – | – | – | – | – |
| From capital gains | – | – | – | – | – | – |
| Return of capital | (60) | (105) | (22) | (31) | (255) | (233) |
| | (60) | (105) | (22) | (31) | (255) | (233) |
| Redeemable unit transactions (Note 4) | | | | | | |
| Proceeds from sale of units | – | – | – | – | 8,549 | 1,640 |
| Reinvested distributions | 19 | 22 | 20 | 28 | 63 | 58 |
| Amount paid for units redeemed | (1,008) | (571) | (313) | (186) | (14,069) | (7,538) |
| | (989) | (549) | (293) | (158) | (5,457) | (5,840) |
| Net assets attributable to holders of redeemable units at end of | \$– | \$1,168 | \$– | \$350 | \$30,285 | \$38,254 |

The accompanying notes are an integral part of these financial statements.

Starlight North American Equity Fund (formerly Stone Growth Fund)
Statements of Cash Flows
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Note | 2023 | 2021 |
|---|------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Increase (decrease) in net assets attributable to holders of redeemable units from operations | \$ | (2,257) | \$ 7,146 |
| Adjustments: | | | |
| Purchase of investments | | (7,023) | (1,239) |
| Proceeds from disposition of investments | | 16,880 | 8,748 |
| Brokerage commissions | 2 | 22 | 5 |
| Net change in unrealized (appreciation) depreciation of foreign currency | | (135) | (73) |
| Net realized (gain) loss on sale of investments | | (4,459) | (1,132) |
| Net change in unrealized (appreciation) depreciation of investments | | 6,239 | (6,887) |
| | | 9,267 | 6,568 |
| Net change in non-cash working capital | | 59 | (46) |
| Net cash from (used in) operating activities | | 9,326 | 6,522 |
| Cash flows from financing activities | | | |
| Issuance of units | | 8,574 | 1,615 |
| Payment on redemption of units | | (14,105) | (7,602) |
| Distributions paid to holders of redeemable units, net of reinvested distributions | | (192) | (175) |
| Net cash from (used in) financing activities | | (5,723) | (6,162) |
| Net increase (decrease) in cash | | 3,603 | (360) |
| Net change in unrealized (appreciation) depreciation of foreign currency | | 135 | 73 |
| Cash at beginning of period | | 1,316 | 883 |
| Cash at end of period | | \$ 5,054 | \$ 1,316 |
| Dividends received, net of withholding taxes | \$ | 375 | \$ 298 |
| Interest received | \$ | 38 | \$ – |

Starlight North American Equity Fund (formerly Stone Growth Fund)

Schedule of Investment Portfolio

As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-------------------------------|---|--------------|--------------|------------------|
| Communication Services | | | | |
| 1,500 | Alphabet Inc., Class 'A' | \$182 | \$211 | |
| 4,660 | Alphabet Inc., Class 'C' | 197 | 656 | |
| 11,875 | AT&T Inc. | 316 | 309 | |
| 1,089 | Electronic Arts Inc. | 178 | 178 | |
| 2,150 | Walt Disney Co. | 305 | 291 | |
| | | <u>1,178</u> | <u>1,645</u> | <u>5.4%</u> |
| Consumer Discretionary | | | | |
| 4,730 | Amazon.com Inc. | 325 | 661 | |
| 50 | Booking Holdings Inc. | 167 | 179 | |
| 6,483 | TJX Cos. Inc. | 530 | 688 | |
| | | <u>1,022</u> | <u>1,528</u> | <u>5.0%</u> |
| Consumer Staples | | | | |
| 1,027 | Costco Wholesale Corp. | 293 | 691 | |
| 16,395 | Jamieson Wellness Inc. | 483 | 549 | |
| | | <u>776</u> | <u>1,240</u> | <u>4.1%</u> |
| Energy | | | | |
| 2,250 | EOG Resources Inc. | 322 | 349 | |
| 2,200 | Exxon Mobil Corp. | 226 | 326 | |
| | | <u>548</u> | <u>675</u> | <u>2.2%</u> |
| Financials | | | | |
| 722 | Berkshire Hathaway Inc. | 295 | 302 | |
| 4,832 | KKR & Co. Inc. | 200 | 343 | |
| 1,410 | Mastercard Inc., Class 'A' | 186 | 693 | |
| 2,396 | Visa Inc., Class 'A' | 602 | 731 | |
| | | <u>1,283</u> | <u>2,069</u> | <u>6.8%</u> |
| Investment Funds | | | | |
| 83,000 | Starlight Global Private Equity Pool, Series 'I' | 830 | 1,028 | |
| 39,810 | Starlight Private Global Real Estate Pool, Series 'I' | 603 | 556 | |
| 67,273 | Stone Global Growth Fund, Series 'F' | 435 | 1,249 | |
| | | <u>1,868</u> | <u>2,833</u> | <u>9.4%</u> |
| Health Care | | | | |
| 3,900 | Amerisource Bergen Corp. | 724 | 844 | |
| 853 | Amgen Inc. | 303 | 279 | |
| 9,220 | Boston Scientific Corp. | 462 | 624 | |
| 1,751 | Cigna Corp. | 431 | 606 | |
| 2,163 | HCA Healthcare Inc. | 432 | 772 | |
| 1,735 | Intuitive Surgical Inc. | 511 | 600 | |
| 4,651 | Medtronic PLC | 643 | 507 | |
| 2,448 | STERIS PLC | 533 | 634 | |
| 1,466 | UnitedHealth Group Inc. | 214 | 937 | |
| | | <u>4,253</u> | <u>5,803</u> | <u>19.2%</u> |

Starlight North American Equity Fund (formerly Stone Growth Fund)
Schedule of Investment Portfolio (continued)
As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-----------------------------|--|---------------------|-------------------|-------------------------|
| Industrials | | | | |
| 16,435 | ATS Automation Tooling Systems Inc. | \$313 | \$930 | |
| 1,491 | Hubbell Inc. | 299 | 491 | |
| 8,428 | Sensata Technologies Holding PLC | 496 | 571 | |
| | | <u>1,108</u> | <u>1,992</u> | <u>6.6%</u> |
| Materials | | | | |
| 54,935 | Allkem Ltd. | 166 | 595 | |
| | | <u>166</u> | <u>595</u> | <u>2.0%</u> |
| Private Placements | | | | |
| 70,865 | CHX Technologies Inc. | 800 | 0 | |
| 666,666 | Obsidian Strategics Inc. | 750 | 0 | |
| 12 | Panton Equity Partners L.P., Class 'A' | 1,342 | 188 | |
| | | <u>2,892</u> | <u>188</u> | <u>0.6%</u> |
| Technology | | | | |
| 1,662 | Accenture PLC, Class 'A' | 289 | 643 | |
| 2,235 | Applied Materials Inc. | 186 | 372 | |
| 962 | Broadcom Inc. | 413 | 835 | |
| 13,105 | Corning Inc. | 592 | 626 | |
| 6,480 | Fortinet Inc. | 201 | 583 | |
| 3,360 | Kinaxis Inc. | 364 | 623 | |
| 1,429 | Microsoft Corp. | 45 | 558 | |
| 1,645 | Motorola Solutions Inc. | 358 | 637 | |
| 2,496 | Palo Alto Networks Inc. | 259 | 675 | |
| 6,981 | SS&C Technologies Holdings Inc. | 544 | 534 | |
| 1,660 | VeriSign Inc. | 455 | 475 | |
| | | <u>3,706</u> | <u>6,561</u> | <u>21.7%</u> |
| Utilities | | | | |
| 4,962 | AES Corp. | 107 | 162 | |
| | | <u>107</u> | <u>162</u> | <u>0.5%</u> |
| | Brokerage commissions (Note 2) | (11) | | |
| | Total Investments | <u>\$18,896</u> | <u>\$25,291</u> | <u>83.5%</u> |
| | Other assets less liabilities | | <u>4,994</u> | <u>16.5%</u> |
| | Total Net Assets | | <u>\$30,285</u> | <u>100.0%</u> |

* Percentage of net assets shown relates to the amounts at fair value to the net assets attributable to holders of redeemable securities.

Starlight North American Equity Fund (formerly Stone Growth Fund)

Notes to the Financial Statements

March 31, 2023

*Fund Specific Notes to the Financial Statements
(In Canadian dollars, in \$000s except per unit amounts)*

Establishment of the Funds (Note 1)

Starlight North American Equity Fund's (formerly Stone Growth Fund) investment objective is to provide investors exposure to North American equity securities seeking long-term capital appreciation.

Fair Value Hierarchy (Note 3)

The tables below summarize the inputs used by the Fund in valuing the Fund's investments carried at fair value.

| | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|---------|---------|---------|--------|
| | \$ | \$ | \$ | \$ |
| Investments as at March 31, 2023 | 25,103 | – | 188 | 25,291 |
| Investments as at December 31, 2021 | 36,758 | – | 175 | 36,933 |

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

Material level 3 investments are valued based on the following significant inputs:

| Name | Fair value | Basis of valuation | Significant input | + or - .50 change in multiple |
|--|------------|--|-------------------|-------------------------------|
| Panton Equity Partners L.P., Class 'A' | \$175 | Discounted cash flow based on the fair value of limited partnership units. | Discount rate | From \$146 to \$210 |

The table below summarizes the movement in financial instruments classified as Level 3 for the periods ended March 31, 2023 and December 31, 2021.

For the period ended March 31, 2023

| | Balance at December 31, 2021 | | | | | | Balance at March 31, 2023 |
|--------------|------------------------------|--------------|----------|--------------|----------|----------------|---------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Equities | 175 | 1,342 | – | (175) | – | (1,154) | 188 |
| Total | 175 | 1,342 | – | (175) | – | (1,154) | 188 |

For the year ended December 31, 2021

| | Balance at December 31, 2020 | | | | | | Balance at December 31, 2021 |
|--------------|------------------------------|----------|----------|----------|----------|------------|------------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Equities | 177 | – | – | – | – | (2) | 175 |
| Total | 177 | – | – | – | – | (2) | 175 |

Starlight North American Equity Fund (formerly Stone Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Redeemable Securities (Note 4)

For the period ended March 31, 2023

| | Series A | Series B | Series F | Series L | Series O |
|---|------------|----------|------------|----------|----------|
| Units outstanding, beginning of period | 318 | 177 | 134 | 18 | 3 |
| Units issued | 176 | – | 64 | – | – |
| Units redeemed | (117) | (177) | (58) | (18) | – |
| Units reinvested | – | – | – | – | – |
| Units outstanding, end of period | 377 | – | 140 | – | 3 |

| | Series PTF | Series R | Series R2 | Series T8A | Series T8B | Series T8C |
|---|------------|--------------|------------|------------|------------|------------|
| Units outstanding, beginning of period | 34 | 1,632 | – | 203 | 199 | 59 |
| Units issued | 19 | – | 205 | 227 | – | – |
| Units redeemed | (7) | (462) | (15) | (52) | (203) | (63) |
| Units reinvested | – | – | – | 5 | 4 | 4 |
| Units outstanding, end of period | 46 | 1,170 | 190 | 383 | – | – |

For the year ended December 31, 2021

| | Series A | Series B | Series F | Series L | Series O |
|---------------------------------------|------------|------------|------------|-----------|----------|
| Units outstanding, beginning of year | 335 | 199 | 129 | 21 | – |
| Units issued | 32 | – | 22 | – | 3 |
| Units redeemed | (49) | (22) | (17) | (3) | – |
| Units reinvested | – | – | – | – | – |
| Units outstanding, end of year | 318 | 177 | 134 | 18 | 3 |

| | Series PTF* | Series R | Series T8A | Series T8B | Series T8C |
|---------------------------------------|-------------|--------------|------------|------------|------------|
| Units outstanding, beginning of year | – | 2,044 | 224 | 298 | 87 |
| Units issued | 46 | – | 1 | – | – |
| Units redeemed | (12) | (412) | (23) | (103) | (33) |
| Units reinvested | – | – | 1 | 4 | 5 |
| Units outstanding, end of year | 34 | 1,632 | 203 | 199 | 59 |

*Inception date March 22, 2021

Starlight North American Equity Fund (formerly Stone Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Commitments (Note 8)

As of March 31, 2023 and December 31, 2021, the Fund had no commitments.

Financial Instruments Risks (Note 11)

(a) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Fund's investment portfolios are monitored on a daily basis by the Manager.

(b) Other Price Risk

As at March 31, 2023 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 25,291 | 83.5 |
| Total market exposure | 25,291 | 83.5 |

As at December 31, 2021 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 36,933 | 96.5 |
| Total market exposure | 36,933 | 96.5 |

As at March 31, 2023, had the prices on the respective stock exchanges increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$1,265 or 4.2% of total net assets (December 31, 2021: \$2,014 or 5.3% of net assets).

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(c) Currency Risk

The Fund holds assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other global currencies fluctuate due to changes in exchange rates.

The table below summarizes the Funds' exposure to currency risks:

March 31, 2023

| Currency type | Currency exposure \$ | % of Total Net Assets |
|----------------------|-------------------------|--------------------------|
| United States Dollar | 17,937 | 59.2 |
| Total | 17,937 | 59.2 |

Starlight North American Equity Fund (formerly Stone Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(c) Currency Risk (continued)

December 31, 2021

| Currency type | Currency exposure \$ | % of Total Net Assets |
|----------------------|-------------------------|--------------------------|
| British Pound | 91 | 0.2 |
| Euro | 279 | 0.7 |
| Swedish Krona | 45 | 0.1 |
| Swiss Franc | 80 | 0.2 |
| United States Dollar | 31,407 | 82.1 |
| Total | 31,902 | 83.3 |

As at March 31, 2023, if the exchange rate between the Canadian dollar and the foreign currencies the Fund is exposed to increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$1,793 (December 31, 2021: \$3,190). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

In accordance with the Fund's policy, the Manager (as defined below) monitors currency positions as part of the overall portfolio construction.

(d) Interest Rate Risk

The majority of the Fund's financial assets and liabilities are non-interest bearing as at March 31, 2023 and December 31, 2021. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(e) Credit Risk

As at March 31, 2023 and December 31, 2021, the Fund did not have any credit risk exposure.

(f) Liquidity Risk

As at March 31, 2023 and December 31, 2021 the Fund had no significant exposure to liquidity risk. Liabilities consist of independent review committee fees payable, operating expenses payable and management fees payable, all of which are expected to be settled within 90 days.

Redeemable units are redeemable on demand at the holder's option. The Fund's liquid investments are considered to be in excess of the redemption requirements.

Starlight North American Equity Fund (formerly Stone Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Financial Instruments Risks (Note 11) (continued)

(g) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. A summary of the Fund's concentration risk by industry sector can be found in the Fund's Schedule of Investment Portfolio.

The Fund's investments were concentrated in the following sectors:

| Sector | As at March 31, 2023 % of NAV | As at December 31, 2021 % of NAV |
|--------------------------|----------------------------------|-------------------------------------|
| Technology | 21.7 | 38.2 |
| Health Care | 19.2 | 19.2 |
| Funds | 9.4 | – |
| Financials | 6.8 | 11.1 |
| Industrials | 6.6 | 7.0 |
| Communication Services | 5.4 | – |
| Consumer Discretionary | 5.0 | – |
| Consumer Staples | 4.1 | – |
| Energy | 2.2 | 0.6 |
| Materials | 2.0 | – |
| Private Placements | 0.6 | – |
| Utilities | 0.5 | 3.0 |
| Investment Funds | – | 4.0 |
| Basic Materials | – | 4.1 |
| Consumer Cyclical | – | 7.4 |
| Consumer Non-Cyclical | – | 1.9 |
| Total investments | 83.5 | 96.5 |

Interest in non-consolidated structured entities (Note 12)

| | March 31, 2023 | | December 31, 2021 | |
|--|--|---------------------------------|---|---------------------------------|
| | Fair Value of investment in Underlying Funds \$ | Percentage of ownership % | Fair Value of investment in Underlying Funds \$ | Percentage of ownership % |
| Non-consolidated structured entities | | | | |
| Starlight Global Private Equity Pool, Series 'I' | 1,028,163 | 3.4 | – | – |
| Starlight Private Global Real Estate Pool, Series 'I' | 555,682 | 1.8 | – | – |
| Stone Global Growth Fund, Series A | 1,249,466 | 4.1 | 1,545 | 0.8 |
| Panton Equity Partners L.P., Class 'A' | 188 | 0.6 | 175 | n/a |

Starlight North American Equity Fund (formerly Stone Growth Fund)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000s except per unit amounts)

Related parties (Note 13)

(a) Management fees

The Fund's investment activities are managed by the Manager. The management fees for the year ended March 31, 2023 amounted to \$908 (December 31, 2021: \$904), with \$49 in outstanding accrued management fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(b) Operating fees

The Manager is paid operating fees from the Fund for the day-to-day operational services. The operating fees for the period ended March 31, 2023 amounted to \$327 (December 31, 2021: \$342), with \$22 in outstanding accrued operating fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(c) Performance fees

The Manager is paid a performance fee from the Fund where a series rate of return exceeds the Fund's benchmark return up to a maximum of 0.30% (see Note 6). The performance fee for the period ended March 31, 2023 amounted to \$nil (December 31, 2021: \$1), with \$nil in outstanding accrued performance fees due to the Manager at March 31, 2023 (December 31, 2021: \$1).

(d) Unit transactions with related parties

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business on the same basis as arms-length investors. As at March 31, 2023, the Manager, including officers and directors, owned nil units of the Fund (December 31, 2021: 900).

Weighted average number of securities

The following table illustrates the weighted average number of securities for the periods ending March 31, 2023 and December 31 2021:

| Series | March 31, 2023 | December 31, 2021 |
|---------------|-----------------------|--------------------------|
| Series A | 313 | 328 |
| Series B | 150 | 187 |
| Series F | 159 | 135 |
| Series L | 17 | 19 |
| Series O | 3 | 3 |
| Series PTF | 43 | 26 |
| Series R | 1,378 | 1,805 |
| Series R2 | 198 | – |
| Series T8A | 284 | 216 |
| Series T8B | 160 | 251 |
| Series T8C | 56 | 75 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class) Statements of Financial Position

(In Canadian dollars, in \$000's except per security amounts)

| As at | Note | March 31, 2023 | December 31, 2021 |
|--|------|-------------------|-------------------|
| Assets | | | |
| Current Assets | | | |
| Investments (Cost: March 31, 2023 - \$170,882, December 31, 2021 - \$195,900) | \$ | 263,150 | \$ 386,670 |
| Cash | | 51,424 | 867 |
| Receivable for distributions from investments | | 155 | – |
| Subscriptions receivable | | 92 | 370 |
| Dividends receivable | | 455 | 928 |
| Total Assets | | \$ 315,276 | \$ 388,835 |
| Liabilities | | | |
| Current Liabilities | | | |
| Redemptions payable | | 1,162 | 340 |
| Payable for investments purchased | | 155 | – |
| Accounts payable and accrued liabilities | | 565 | 4 |
| Dividends payable | | 27 | 14 |
| Total Liabilities (excluding Net Assets attributable to unitholders of redeemable securities) | | \$ 1,909 | \$ 358 |
| Net Assets attributable to holders of redeemable securities per series | | | |
| Series A | \$ | 137,104 | 177,435 |
| Series B | | 12,326 | 17,576 |
| Series C | | 4,977 | 6,530 |
| Series F | | 100,800 | 113,465 |
| Series L | | 4,880 | 6,813 |
| Series O | | 226 | 158 |
| Series PTF | | 8,156 | 12,481 |
| Series T8A | | 39,647 | 45,775 |
| Series T8B | | 4,496 | 7,031 |
| Series T8C | | 755 | 1,213 |
| | | \$ 313,367 | \$ 388,477 |
| Number of redeemable securities outstanding | | | |
| | 4 | | |
| Series A | | 9,237 | 10,887 |
| Series B | | 921 | 1,366 |
| Series C | | 371 | 477 |
| Series F | | 5,208 | 4,861 |
| Series L | | 273 | 463 |
| Series O | | 21 | – |
| Series PTF | | 634 | 639 |
| Series T8A | | 5,516 | 5,479 |
| Series T8B | | 683 | 1,134 |
| Series T8C | | 114 | 200 |
| Net Assets attributable to holders of redeemable securities per series | | | |
| Series A | \$ | 14.84 | \$ 16.61 |
| Series B | \$ | 13.38 | \$ 15.07 |
| Series C | \$ | 13.43 | \$ 15.13 |
| Series F | \$ | 19.35 | \$ 21.28 |
| Series L | \$ | 17.87 | \$ 20.06 |
| Series O | \$ | 10.73 | \$ 11.63 |
| Series PTF | \$ | 12.87 | \$ 14.04 |
| Series T8A | \$ | 7.19 | \$ 8.75 |
| Series T8B | \$ | 6.58 | \$ 8.07 |
| Series T8C | \$ | 6.64 | \$ 8.15 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)

Statements of Comprehensive Income

For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's except per security amounts)

| | Note | 2023 | 2021 |
|--|------|--------------------|------------------|
| Income | | | |
| Net gain (loss) on investments | | | |
| Dividend income | \$ | 10,359 | \$ 8,243 |
| Interest income for distribution purposes | | 273 | 269 |
| Income distribution from investments | | 155 | |
| Net realized gain (loss) on sale of investments and derivatives | | 64,913 | 10,702 |
| Net change in unrealized appreciation (depreciation) of investments and derivatives | | (98,502) | 70,092 |
| Other Income items | | | |
| Realized foreign exchange gain (loss) on cash | | 848 | – |
| Net change in unrealized appreciation (depreciation) of foreign currency | | 785 | (14) |
| Total income (loss) | | (21,169) | 89,292 |
| Expenses | | | |
| Management fees | 13 | 7,814 | 6,610 |
| Securityholder reporting costs | | 953 | 677 |
| Transfer agency fees | | 268 | 240 |
| Transaction costs | 2 | 128 | 52 |
| Custodian fees | | 117 | 113 |
| Audit fees | | 105 | 71 |
| Filing fees | | 35 | 29 |
| Legal fees | | 33 | 23 |
| Independent review committee fees | | 3 | 6 |
| Performance fees | | – | 4 |
| Total expenses | | 9,456 | 7,825 |
| Expenses waived/absorbed by the Manager | | 37 | – |
| Investment profit (loss) before tax | | (30,662) | 81,467 |
| Withholding taxes on foreign income | | 230 | 192 |
| Increase (decrease) in net assets attributable to holders of redeemable securities | | \$ (30,892) | \$ 81,275 |
| Increase (decrease) in net assets attributable to holders of redeemable securities per series | | | |
| Series A | | (14,464) | 36,880 |
| Series B | | (1,501) | 3,796 |
| Series C | | (564) | 1,375 |
| Series F | | (8,472) | 23,293 |
| Series L | | (588) | 1,547 |
| Series O | | (15) | 14 |
| Series PTF | | (865) | 2,543 |
| Series T8A | | (3,713) | 9,830 |
| Series T8B | | (603) | 1,702 |
| Series T8C | | (107) | 295 |
| | | \$ (30,892) | \$ 81,275 |
| Increase (decrease) in net assets attributable to holders of redeemable securities per security | | | |
| Series A | \$ | (1.44) | \$ 3.42 |
| Series B | \$ | (1.47) | \$ 3.04 |
| Series C | \$ | (1.41) | \$ 3.05 |
| Series F | \$ | (1.49) | \$ 4.57 |
| Series L | \$ | (1.92) | \$ 4.01 |
| Series O | \$ | (0.65) | \$ 1.68 |
| Series PTF | \$ | (1.19) | \$ 3.03 |
| Series T8A | \$ | (0.71) | \$ 1.85 |
| Series T8B | \$ | (0.78) | \$ 1.68 |
| Series T8C | \$ | (0.85) | \$ 1.67 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)

Statements of Changes in Net Assets Attributable to Holders of Redeemable Securities (continued)

For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Series A 2023 | Series A 2021 | Series B 2023 | Series B 2021 | Series C 2023 | Series C 2021 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Net assets attributable to holders of redeemable securities at beginning of period | \$177,435 | \$146,193 | \$17,576 | \$16,738 | \$6,530 | \$5,866 |
| Increase (decrease) in net assets attributable to holders of redeemable | (14,464) | 36,880 | (1,501) | 3,796 | (564) | 1,375 |
| Dividends to holders from redeemable securities | | | | | | |
| From dividends | (1,510) | (2,590) | (135) | (262) | (53) | (95) |
| From capital gains | — | — | — | — | — | — |
| Return of capital | (2,319) | — | (207) | — | (82) | — |
| | (3,829) | (2,590) | (342) | (262) | (135) | (95) |
| Redeemable security transactions (Note 4) | | | | | | |
| Proceeds from sale of securities | 14,440 | 16,348 | — | 35 | — | — |
| Reinvested dividends | 3,615 | 2,437 | 310 | 235 | 122 | 85 |
| Amount paid for securities redeemed | (40,093) | (21,833) | (3,717) | (2,966) | (976) | (701) |
| | (22,038) | (3,048) | (3,407) | (2,696) | (854) | (616) |
| Net assets attributable to holders of redeemable securities at end of period | \$137,104 | \$177,435 | \$12,326 | \$17,576 | \$4,977 | \$6,530 |
| | | | | | | |
| | Series F 2023 | Series F 2021 | Series L 2023 | Series L 2021 | Series O 2023 | Series O 2021 |
| Net assets attributable to holders of redeemable securities at beginning of period | \$113,465 | \$82,462 | \$6,813 | \$7,526 | \$158 | \$— |
| Increase (decrease) in net assets attributable to holders of redeemable securities | (8,472) | 23,293 | (588) | 1,547 | (15) | 14 |
| Dividends to holders from redeemable securities | | | | | | |
| From dividends | (987) | (1,292) | (45) | (80) | (2) | (1) |
| From capital gains | — | — | — | — | — | — |
| Return of capital | (1,515) | — | (69) | — | (4) | — |
| | (2,502) | (1,292) | (114) | (80) | (6) | (1) |
| Redeemable security transactions (Note 4) | | | | | | |
| Proceeds from sale of securities | 22,835 | 17,291 | 25 | 18 | 171 | 153 |
| Reinvested dividends | 2,049 | 1,037 | 103 | 70 | 6 | 1 |
| Amount paid for securities redeemed | (26,575) | (9,326) | (1,359) | (2,268) | (88) | (9) |
| | (1,691) | 9,002 | (1,231) | (2,180) | 89 | 145 |
| Net assets attributable to holders of redeemable securities at end of period | \$100,800 | \$113,465 | \$4,880 | \$6,813 | \$226 | \$158 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)

Statements of Changes in Net Assets Attributable to Holders of Redeemable Securities (continued)

For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Series PTF 2023 | Series PTF 2021 | Series T8A 2023 | Series T8A 2021 | Series T8B 2023 | Series T8B 2021 |
|---|--------------------|--------------------|----------------------------|----------------------------|-----------------------|-----------------------|
| Net assets attributable to holders of redeemable securities at beginning of period | \$12,481 | \$7,130 | \$45,775 | \$41,016 | \$7,031 | \$7,888 |
| Increase (decrease) in net assets attributable to holders of | (865) | 2,543 | (3,713) | 9,830 | (603) | 1,702 |
| Dividends to holders from redeemable securities | | | | | | |
| From dividends | (82) | (144) | (1,745) | (2,506) | (235) | (442) |
| From capital gains | – | – | – | – | – | – |
| Return of capital | (126) | – | (2,679) | (662) | (360) | (117) |
| | (208) | (144) | (4,424) | (3,168) | (595) | (559) |
| Redeemable security transactions (Note 4) | | | | | | |
| Proceeds from sale of securities | 759 | 4,131 | 6,537 | 2,652 | – | – |
| Reinvested dividends | – | – | 288 | 236 | 147 | 133 |
| Amount paid for securities redeemed | (4,011) | (1,179) | (4,816) | (4,791) | (1,484) | (2,133) |
| | (3,252) | 2,952 | 2,009 | (1,903) | (1,337) | (2,000) |
| Net assets attributable to holders of redeemable securities at end of period | \$8,156 | \$12,481 | \$39,647 | \$45,775 | \$4,496 | \$7,031 |
| | | | Series T8C 2023 | Series T8C 2021 | Total 2023 | Total 2021 |
| Net assets attributable to holders of redeemable securities at beginning of period | | | \$1,213 | \$1,404 | \$388,477 | \$316,223 |
| Increase (decrease) in net assets attributable to holders of redeemable securities | | | (107) | 295 | (30,892) | 81,275 |
| Dividends to holders from redeemable securities | | | | | | |
| From dividends | | | (39) | (78) | (4,833) | (7,490) |
| From capital gains | | | – | – | – | – |
| Return of capital | | | (59) | (20) | (7,420) | (799) |
| | | | (98) | (98) | (12,253) | (8,289) |
| Redeemable security transactions (Note 4) | | | | | | |
| Proceeds from sale of securities | | | – | – | 44,767 | 40,628 |
| Reinvested dividends | | | 73 | 59 | 6,713 | 4,293 |
| Amount paid for securities redeemed | | | (326) | (447) | (83,445) | (45,653) |
| | | | (253) | (388) | (31,965) | (732) |
| Net assets attributable to holders of redeemable securities at end of period | | | \$755 | \$1,213 | \$313,367 | \$388,477 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)
Statements of Cash Flows
For the period ended March 31, 2023 and the year ended December 31, 2021 (See Note 1)

(In Canadian dollars, in \$000's)

| | Note | 2023 | 2021 |
|--|-----------|-----------------|----------------|
| Cash flows from operating activities | | | |
| Increase (decrease) in net assets attributable to holders of redeemable securities from operations | \$ | (30,892) | \$ 81,275 |
| Adjustments: | | | |
| Purchase of investments | | (66,127) | (41,737) |
| Proceeds from disposition of investments | | 156,240 | 47,796 |
| Brokerage commissions | 2 | 128 | 52 |
| Net change in unrealized (appreciation) depreciation of foreign currency | | (785) | 14 |
| Net realized (gain) loss on sale of investments and derivatives | | (64,913) | (10,702) |
| Net change in unrealized (appreciation) depreciation of investments and derivatives | | 98,502 | (70,092) |
| | | 92,153 | 6,606 |
| Net change in non-cash working capital | | 724 | (297) |
| Net cash from (used in) operating activities | | 92,877 | 6,309 |
| Cash flows from financing activities | | | |
| Issuance of securities | | 45,045 | 40,482 |
| Payment on redemption of securities | | (82,623) | (45,788) |
| Dividends paid to holders of redeemable securities, net of reinvested dividends | | (5,527) | (3,992) |
| Net cash from (used in) financing activities | | (43,105) | (9,298) |
| Net increase (decrease) in cash | | 49,772 | (2,989) |
| Net change in unrealized (appreciation) depreciation of foreign currency | | 785 | (14) |
| Cash at beginning of period | | 867 | 3,870 |
| Cash at end of period | \$ | 51,424 | \$ 867 |
| Dividends received, net of withholding taxes | \$ | 10,602 | \$ 7,750 |
| Interest received | \$ | 273 | \$ 269 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)
Schedule of Investment Portfolio
As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-------------------------------|---|---------------------|-------------------|-------------------------|
| Communication Services | | | | |
| 103,770 | BCE Inc. | \$5,768 | \$6,282 | |
| 273,843 | TELUS Corp. | 6,637 | 7,347 | |
| | | <u>12,405</u> | <u>13,629</u> | <u>4.3%</u> |
| Consumer Discretionary | | | | |
| 31,000 | TJX Cos Inc. | 3,284 | 3,287 | |
| | | <u>3,284</u> | <u>3,287</u> | <u>1.1%</u> |
| Consumer Staples | | | | |
| 42,934 | Alimentation Couche-Tard Inc. | 2,659 | 2,917 | |
| 65,000 | Coca-Cola Co. | 2,321 | 5,457 | |
| 13,921 | Costco Wholesale Corp. | 2,716 | 9,361 | |
| 197,388 | Jamieson Wellness Inc. | 3,613 | 6,611 | |
| | | <u>11,309</u> | <u>24,346</u> | <u>7.8%</u> |
| Energy | | | | |
| 144,764 | Suncor Energy Inc. | 4,172 | 6,074 | |
| 30,141 | TC Energy Corp. | 1,966 | 1,585 | |
| | | <u>6,138</u> | <u>7,659</u> | <u>2.4%</u> |
| Financials | | | | |
| 61,821 | Bank of Montreal | 7,064 | 7,442 | |
| 157,435 | Bank of Nova Scotia | 9,640 | 10,717 | |
| 61,933 | Brookfield Asset Management Inc., Class 'A' | 305 | 2,742 | |
| 247,732 | Brookfield Corp. | 2,238 | 10,908 | |
| 7,278 | Marsh & McLennan Cos Inc. | 1,568 | 1,640 | |
| 200,676 | Power Corp. of Canada | 6,855 | 6,931 | |
| 141,351 | Royal Bank of Canada | 9,889 | 18,271 | |
| 104,537 | Sun Life Financial Inc. | 6,715 | 6,600 | |
| 110,727 | Toronto-Dominion Bank | 4,966 | 8,963 | |
| 33,365 | Visa Inc., Class 'A' | 4,102 | 10,180 | |
| | | <u>53,342</u> | <u>84,394</u> | <u>27.0%</u> |
| Funds | | | | |
| 917,000 | Starlight Global Private Equity Pool, Series 'I' | 9,170 | 11,359 | |
| 827,630 | Starlight Private Global Real Estate Pool, Series 'I' | 12,561 | 11,395 | |
| | | <u>21,731</u> | <u>22,754</u> | <u>7.3%</u> |
| Health Care | | | | |
| 23,960 | Abbott Laboratories | 1,134 | 3,283 | |
| 46,457 | CVS Health Corp. | 5,507 | 4,672 | |
| 24,395 | Stryker Corp. | 2,665 | 9,425 | |
| 14,843 | UnitedHealth Group Inc. | 7,253 | 9,493 | |
| | | <u>16,559</u> | <u>26,873</u> | <u>8.6%</u> |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)
Schedule of Investment Portfolio (continued)
As at March 31, 2023

(In Canadian dollars, in \$000's except Number of Securities)

| Number of Securities | Description | Average Cost | Fair Value | % of Net Assets* |
|-------------------------------|---|---------------------|-------------------|-------------------------|
| Industrials | | | | |
| 43,148 | Cargojet Inc. | \$2,709 | \$4,750 | |
| 5,051 | Northrop Grumman Corp. | 3,084 | 3,156 | |
| 35,000 | Otis Worldwide Corp. | 4,015 | 3,998 | |
| 104,702 | Stantec Inc. | 4,501 | 8,273 | |
| 58,255 | Waste Connections Inc. | 4,780 | 10,958 | |
| | | <u>19,089</u> | <u>31,135</u> | <u>9.9%</u> |
| Information Technology | | | | |
| 4,156 | Accenture PLC | 1,540 | 1,608 | |
| 6,139 | Broadcom Inc. | 4,876 | 5,330 | |
| 30,000 | Enghouse Systems Ltd. | 1,179 | 1,148 | |
| 29,050 | Microsoft Corp. | 2,361 | 11,334 | |
| 85,000 | Open Text Corp. | 3,403 | 4,431 | |
| 54,702 | Oracle Corp. | 1,997 | 6,879 | |
| | | <u>15,356</u> | <u>30,730</u> | <u>9.8%</u> |
| Materials | | | | |
| 17,407 | Ecolab Inc. | 831 | 3,900 | |
| | | <u>831</u> | <u>3,900</u> | <u>1.2%</u> |
| Utilities | | | | |
| 152,864 | Brookfield Infrastructure Partners L.P. | 4,711 | 6,981 | |
| 51,478 | AES Corp. | 767 | 1,678 | |
| 107,321 | Northland Power Inc. | 3,457 | 3,636 | |
| 181,755 | TransAlta Corp. | 2,028 | 2,148 | |
| | | <u>10,963</u> | <u>14,443</u> | <u>4.6%</u> |
| | Brokerage commissions (Note 2) | (125) | | |
| | Total Investments | \$170,882 | \$263,150 | 84.0% |
| | Other assets less liabilities | | 50,217 | 16.0% |
| | Total Net Assets | | \$313,367 | 100.0% |

* Percentage of net assets shown relates to the amounts at fair value to the net assets attributable to holders of redeemable securities.

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements
(In Canadian dollars, in \$000's)

Establishment of the Funds (Note 1)

Starlight Dividend Growth Class's (formerly Stone Dividend Growth Class) investment objective is to achieve above-average long-term capital growth that is consistent with a conservative investment philosophy encompassing a diversified portfolio approach. The Fund invests primarily in equity securities of Canadian companies that demonstrate financial strength and good growth potential.

Fair Value Hierarchy (Note 3)

The tables below summarize the inputs used by the Fund in valuing the Fund's investments carried at fair value.

| | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|---------|---------|---------|---------|
| | \$ | \$ | \$ | \$ |
| Investments as at March 31, 2023 | 240,396 | 22,754 | – | 263,150 |
| Investments as at December 31, 2021 | 386,670 | – | – | 386,670 |

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

There were no transfers between levels during the years ended March 31, 2023 and December 31, 2021.

Redeemable Securities (Note 4)

For the period ended March 31, 2023

| | Series A | Series B | Series C | Series F | Series L |
|---|--------------|------------|------------|--------------|------------|
| Units outstanding, beginning of period | 10,684 | 1,166 | 432 | 5,331 | 340 |
| Units issued | 938 | – | – | 1,129 | 1 |
| Units redeemed | (2,624) | (268) | (70) | (1,357) | (74) |
| Units reinvested | 239 | 23 | 9 | 105 | 6 |
| Units outstanding, end of period | 9,237 | 921 | 371 | 5,208 | 273 |

| | Series O | Series PTF | Series T8A | Series T8B | Series T8C |
|---|-----------|------------|--------------|------------|------------|
| Units outstanding, beginning of period | 13 | 889 | 5,233 | 871 | 149 |
| Units issued | 15 | 58 | 868 | – | – |
| Units redeemed | (8) | (313) | (623) | (209) | (45) |
| Units reinvested | 1 | – | 38 | 21 | 10 |
| Units outstanding, end of period | 21 | 634 | 5,516 | 683 | 114 |

For the year ended December 31, 2021

| | Series A | Series B | Series C | Series F | Series L |
|---------------------------------------|------------|------------|------------|-----------|----------|
| Units outstanding, beginning of year | 335 | 199 | 129 | 21 | – |
| Units issued | 32 | – | 22 | – | 3 |
| Units redeemed | (49) | (22) | (17) | (3) | – |
| Units reinvested | – | – | – | – | – |
| Units outstanding, end of year | 318 | 177 | 134 | 18 | 3 |

| | Series O | Series | Series | Series | Series T8C |
|---------------------------------------|-----------|--------------|------------|------------|------------|
| Units outstanding, beginning of year | – | 2,044 | 224 | 298 | 87 |
| Units issued | 46 | – | 1 | – | – |
| Units redeemed | (12) | (412) | (23) | (103) | (33) |
| Units reinvested | – | – | 2 | 7 | 6 |
| Units outstanding, end of year | 34 | 1,632 | 203 | 199 | 59 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements
(In Canadian dollars, in \$000's)

Commitments (Note 8)

As of March 31, 2023 and December 31, 2021, the Fund had no commitments.

Financial Instruments Risks (Note 11)

(a) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Fund are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Fund's investment portfolios are monitored on a daily basis by the Manager.

(b) Other Price Risk

As at March 31, 2023 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 263,150 | 84.0 |
| Total market exposure | 263,150 | 84.0 |

As at December 31, 2021 the overall market exposures were as follows:

| | Fair Value \$ | % of Total Net Assets |
|------------------------------|------------------|--------------------------|
| Investments | 386,670 | 99.5 |
| Total market exposure | 386,670 | 99.5 |

As at March 31, 2023, had the prices on the respective stock exchanges increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$13,158 or 4.2% of total net assets (December 31, 2021: \$17,804 or 4.6% of net assets).

In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(c) Currency Risk

The Fund holds assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other global currencies fluctuates due to changes in exchange rates.

The table below summarizes the Funds' exposure to currency risks:

March 31, 2023

| | Currency exposure \$ | % of Total Net Assets % |
|----------------------|-------------------------|-------------------------------|
| Currency type | | |
| United States Dollar | 95,561 | 30.5 |
| Total | 95,561 | 30.5 |

December 31, 2021

| | Currency exposure \$ | % of Total Net Assets % |
|----------------------|-------------------------|-------------------------------|
| Currency type | | |
| United States Dollar | 111,839 | 28.8 |
| Total | 111,839 | 28.8 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements
(In Canadian dollars, in \$000's)

Financial Instruments Risks (Note 11) (continued)

(d) Interest Rate Risk

The majority of the Fund's financial assets and liabilities are non-interest bearing as at March 31, 2023 and December 31, 2021. As a result, the Fund is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates.

(e) Credit Risk

As at March 31, 2023 and December 31, 2021, the Fund did not have any credit risk exposure.

(f) Liquidity Risk

As at March 31, 2023 and December 31, 2021 the Fund had no significant exposure to liquidity risk. Liabilities primarily consist of independent review committee fees payable, operating expenses payable and management fees payable, all of which are expected to be settled within 90 days.

Redeemable units are redeemable on demand at the holder's option. The Fund's liquid investments are considered to be in excess of the redemption requirements.

(g) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. A summary of the Fund's concentration risk by industry sector can be found in the Fund's Schedule of Investment Portfolio.

The Fund's investments were concentrated in the following sectors as at:

| Sector | March 31, 2023 % of NAV | December 31, 2021 % of NAV |
|--------------------------|----------------------------|-------------------------------|
| Materials | 1.2 | 1.7 |
| Consumer Cyclicals | 7.8 | 3.3 |
| Consumer Non-Cyclicals | 1.0 | 6.7 |
| Energy | 2.4 | 3.1 |
| Financials | 27.0 | 34.0 |
| Health Care | 8.6 | 8.5 |
| Industrials | 10.0 | 12.2 |
| Real Estate | – | 5.2 |
| Information Technology | 9.8 | 17.1 |
| Utilities | 4.6 | 7.7 |
| Funds | 7.3 | – |
| Communication Services | 4.3 | – |
| Total investments | 84.0 | 99.5 |

Starlight Dividend Growth Class (formerly Stone Dividend Growth Class)

Notes to the Financial Statements

March 31, 2023

Fund Specific Notes to the Financial Statements

(In Canadian dollars, in \$000's)

Related parties (Note 13)

(a) Management fees

The Fund's investment activities are managed by the Manager. The management fees for the period ended March 31, 2023 amounted to \$7,814 (December 31, 2021: \$6,610), with \$505 in outstanding accrued management fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(b) Operating fees

The Manager is paid operating fees from the Fund for the day-to-day operational services. The operating fees for the period ended March 31, 2023 amounted to \$1,550 (December 31, 2021: \$1,159), with \$81 in outstanding accrued operating fees due to the Manager at March 31, 2023 (December 31, 2021: \$nil).

(c) Performance fees

The Manager is paid a performance fee from the Fund where a series rate of return exceeds the Fund's benchmark return up to a maximum of 0.30% (see Note 6). The performance fee for the period ended March 31, 2023 amounted to \$nil (December 31, 2021: \$4), with \$nil in outstanding accrued performance fees due to the Manager at March 31, 2023 (December 31, 2021: \$4).

(d) Unit transactions with related parties

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business on the same basis as arms-length investors. As at March 31, 2023, the Manager, including officers and directors, owned nil units of the Fund (December 31, 2021: 454).

Weighted average number of securities

The following table illustrates the weighted average number of securities for the periods ending March 31, 2023 and December 31 2021:

| Series | March 31, 2023 | December 31, 2021 |
|---------------|-----------------------|--------------------------|
| Series A | 10,063 | 10,768 |
| Series B | 1,023 | 1,249 |
| Series C | 400 | 451 |
| Series F | 5,702 | 5,095 |
| Series L | 305 | 386 |
| Series O | 23 | 8 |
| Series PTF | 731 | 839 |
| Series T8A | 5,246 | 5,298 |
| Series T8B | 770 | 1,011 |
| Series T8C | 126 | 177 |

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

1. Establishment of the Funds

The Funds are comprised of seven open-ended mutual fund trusts (the “Trusts”) and Stone Corporate Funds Limited, a mutual fund corporation with one class of shares (“SCFL” or the “Corporation”). The Trusts and the class of the Corporation are collectively referred to as the “Funds” and individually, a “Fund”. The Trusts were established under the laws of the Province of Ontario pursuant to a Declaration of Trust and are authorized for each series to issue an unlimited number of securities without par value. SCFL is a corporation continuing under the laws of Canada, having authorized capital consisting of an unlimited number of common securities and twenty-five classes of special securities; currently, only one class has been established. Each class of special securities may, in turn, issue an unlimited number of securities.

The term “securities” is used to describe units of the Trusts and shares of the Corporation. The Funds are currently offered in Canadian-dollar-denominated securities. An unlimited number of securities may be issued.

The Funds were established on the following dates:

| Fund | Series | Inception date |
|---|------------------------------|-----------------------|
| Starlight Global Infrastructure Fund | ETF, A, F, FT6, I, O, O6, T6 | October 2, 2018 |
| | D | October 18, 2021 |
| Starlight Global Real Estate Fund | ETF, A, F, FT6, I, O, O6, T6 | October 2, 2018 |
| | D | October 18, 2021 |
| Starlight Canadian Financial Services Covered Call Fund | A | July 17, 2014 |
| | F | July 17, 2014 |
| | O | August 1, 2019 |
| | PTF | March 22, 2021 |
| Starlight Enhanced Yield Fund | A | June 24, 2003 |
| | F | February 7, 2006 |
| | O, T5A, T5F | August 1, 2019 |
| Starlight Global Balanced Fund | T8A, T8B, T8C | September 1, 2007 |
| | AA, BB, FF | January 5, 2009 |
| | L | September 1, 2011 |
| | O | August 1, 2019 |
| | A | December 31, 1998 |
| Starlight Global Growth Fund | B, F | August 1, 2003 |
| | T8A | September 1, 2007 |
| | L | September 1, 2011 |
| | O | August 1, 2019 |
| | A | November 1, 1995 |
| Starlight North American Equity Fund | B, F | August 1, 2003 |
| | T8A, T8B, T8C | September 1, 2007 |
| | L | September 1, 2011 |
| | O | August 1, 2019 |
| | PTF | March 22, 2021 |
| | R | July 30, 2020 |
| | R2 | July 4, 2022 |
| | A | November 14, 1957 |
| Starlight Dividend Growth Class | B, C, F | August 1, 2003 |
| | T8A, T8B, T8C | September 1, 2007 |
| | L | September 1, 2011 |
| | O | August 1, 2019 |
| | PTF | September 3, 2019 |

The Funds’ investment activities are managed by the Manager. The Funds, excluding Starlight Global Infrastructure Fund and Starlight Global Real Estate Fund (the “Stone Funds”), were formerly managed by Stone Asset Management Limited (“SAM”). On July 7, 2022, Starlight Investments Capital LP (“Starlight Capital”), through a wholly owned subsidiary, acquired all issued and outstanding common shares of SAM’s parent company, Stone Investment Group Limited (“SIG”). As part of the

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

arrangement, SIG's name was changed to Starlight Capital Corporation ("SCC"). On June 21, 2023, Starlight Capital assumed management and portfolio management of the Stone Funds as well as trustee of the SAM Trust Funds.

The Funds' registered address is 3280 Bloor Street West, Centre Tower, Suite 1400, Toronto, Ontario M8X 2X3. RBC Investor Services Trust ("RBC") acts as custodian and administrator of the Funds and Starlight Capital acts as trustee.

Financial Reporting Date

The information provided in these financial statements and notes thereto is as at March 31, 2023, March 31, 2022 and December 31, 2021, or for the 12 or 15 month periods ended March 31, 2023, March 31, 2022 and December 31, 2021. The fiscal year-end of the Stone Funds was changed from December 31 to March 31, effective March 31, 2023. The financial statements were authorized for issuance by the Manager on June 26, 2023.

2. Significant Accounting Policies

The significant accounting policies adopted by the Funds for the preparation of these financial statements are set out below.

Statement of Compliance and Basis of Presentation

These financial statements (the "financial statements") have been prepared in compliance with International Financial Reporting Standards ("IFRS"), as published by the International Accounting Standards Board, and as required by Canadian securities legislation and the Canadian Accounting Standards Board.

Items included in the financial statements of the Funds are measured in the currency of the primary economic environment in which the Funds operate (the "functional currency"). The financial statements are presented in Canadian dollars, which are the Funds' functional and presentation currency. All values are rounded to the nearest thousand dollars (\$000), except where otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial assets and liabilities (including derivative financial instruments) that have been measured at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Funds' accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed, where applicable, in the *Critical Accounting Estimates and Judgements* note.

The significant accounting policies of the Funds are as follows:

Financial Instruments

(a) Classification and Measurement

Classification and measurement categories under IFRS 9 Financial Instruments ("IFRS 9") are amortized cost and fair value through profit or loss ("FVTPL"). To determine the appropriate classification and measurement category, IFRS 9 requires an entity to consider the business model for managing financial instruments and the contractual cash flow characteristics associated with the financial instruments.

The Funds' business model is one in which financial assets are managed with the objective of realizing cash flows through the sale of assets. Decisions are made based on the assets' fair values and assets are managed to realize these fair values. This business model is aligned with a FVTPL classification and measurement category. Debt securities are measured at FVTPL under IFRS 9 as the Funds do not expect to hold the assets to collect contractual cash flows based on their business model. Collection of the contractual cash flows is not integral to achieving the Funds' business model objective but is instead incidental to it.

The carrying value less impairment provision of other receivables and payables are assumed to approximate fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Fund for similar financial instruments.

(b) Impairment

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Specifically, IFRS 9 requires the Funds to recognize a loss allowance for expected credit losses on financial assets measured at amortized cost. The Funds' credit losses on their financial assets measured at amortized cost are not material.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

Financial Instruments (continued)

(c) Recognition

The Funds' financial instruments include investments at fair value through profit and loss, cash, subscriptions receivable, dividends receivable, receivable for investments sold, redemptions payable, payable for investments purchased, and distributions payable. All financial assets and liabilities are recognized in the Statement of Financial Position when the Funds become parties to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Funds have transferred substantially all risks and rewards of ownership.

The Funds recognize financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost when the Funds become parties to the contractual provisions of the instruments. Investment transactions are accounted for on the trade date where the purchase or sale of an investment is under contract whose terms require delivery of the investment within the time frame established by the market concerned. The Funds' obligations for net assets attributable to holders of redeemable securities are presented at the redemption amount. The Funds' accounting policies for measuring the fair value of their investments are identical to those used in measuring their net asset value ("NAV") for transactions with unitholders.

(d) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, a Fund may enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts. As of March 31, 2023, March 31, 2022 and December 31, 2021 no amounts have been offset in the Statements of Financial Position.

(e) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use the close prices for both financial assets and financial liabilities where the close price falls within that day's bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions at an arm's length basis.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Funds may use a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs.

For instruments for which there is no active market, the Funds may use externally provided pricing or internally developed models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of the model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

The fair value of financial instruments other than investments at fair value through profit and loss closely approximates their carrying values, given their short-term maturities.

Refer to Note 3 for further information about the Funds' fair value measurements.

(f) Due from and Due to Brokers

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted out but not yet settled or delivered on the reporting date.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

Financial Instruments (continued)

(g) Foreign Currency Translation

The Funds' subscriptions, redemptions, and certain elements of performance are denominated in Canadian dollars, which is also their functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Income and expense items in foreign currencies are translated into Canadian dollars at the exchange rates prevailing on the respective date of such transactions.

The portion of the results of operations arising from changes in foreign exchange rates on portfolio investments is not isolated from the fluctuations arising from changes in market prices. Realized foreign exchange gains and losses relating to cash are presented as "Realized foreign exchange gain (loss) on cash" and those realized gains (losses) relating to other financial assets and liabilities are presented within "Net realized gain (loss) on sale of investments" and those unrealized gains (losses) relating to cash and other financial assets and liabilities are presented within "Net change in unrealized appreciation (depreciation) of foreign currency" in the Statements of Comprehensive Income.

(h) Forward Foreign Currency Contracts

The Funds may enter into forward foreign currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities.

Changes in the fair value of forward foreign currency contracts are included in "Unrealized gain (loss) on foreign currency forward contracts" on the Statements of Financial Position and are recorded as "Net change in unrealized appreciation (depreciation) of investments and derivatives" during the applicable period on the Statements of Comprehensive Income.

The gain or loss arising from the difference between the value of the original forward foreign currency contract and the value of such contract at close or delivery is realized and included in "Net realized gain (loss) on sale of investments and derivatives" on the Statements of Comprehensive Income.

(i) Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a pre-determined price. The seller (writer) receives a premium from the purchaser in consideration for the assumption of a market price risk.

Purchased options that are exchange traded are valued at the latest close price reported by the principal securities exchange on which the investment is traded; any purchased options that are over-the-counter are valued at the close price as quoted by a major dealer. The premium paid for purchased options is included in the average costs on the Schedule of Investment Portfolio. When a purchased option expires without being exercised, the premium paid will be treated as a loss and included in the Statements of Comprehensive Income (Loss) as "Net realized gains (losses) on sale of investments and derivatives". If the purchased option is exercised, the Fund will realize a gain or loss depending on whether the proceeds are greater or less than the premium paid at the time of purchase. When a purchased option is exercised, the cost of the underlying security purchased is increased by the premium paid at the time of purchase. As long as the options are outstanding at period end, written option premiums received by the Funds are reflected in the Statements of Financial Position as "Written Options". The liability for written options gets revalued at an amount equal to the current fair value of an option that would have the effect of closing the position. Written options that are exchange traded are valued at the latest close price reported by the principal securities exchange on which the investment was traded; any written options that are over-the-counter are valued at the ask price as quoted by a major dealer. If the option expires without being exercised, the premium received will be treated as a gain and will be included in the Statements of Comprehensive Income (Loss) as "Net realized gains (losses) on sale of investments and derivatives". If the option is exercised, in the case of a call option, the premium received will be added to the proceeds of disposition of the underlying security and included in the Statements of Comprehensive Income (Loss) as "Net realized gains (losses) on sale of investments and derivatives". If the option is exercised, in the case of a put option, the cost of the underlying security will be reduced by the amount of premium received and included in the Schedule of Investment Portfolio.

(j) Bonds

Bonds are valued based on the latest close prices obtained from recognized independent brokers.

(k) Investments in Underlying Investment Funds

Investments in underlying investment funds are valued at the closing NAV per Security ("NAVPS") of the units owned as calculated by the administrator of the underlying investment funds at the valuation date.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

Financial Instruments (continued)

(l) Futures contracts

Futures contracts are valued at the gain or loss that would be realized upon closure of the contract. The values for such contracts fluctuate and are best determined at the settlement price established each day by the board of trade or exchange on which the contracts are traded.

(m) Security Valuation

Securities of the Funds are valued at the NAVPS on each valuation day. A valuation day is every business day in each month that the Toronto Stock Exchange (the "TSX") is open for business, or if such day is not a day on which the TSX is open for business, such other business day in the week as the trustee may select; and any such other days as may be determined from time to time by the trustee. The NAV per security is determined by dividing the aggregate fair value of the NAV of the series by the total number of securities of that series outstanding before giving effect to redemptions or subscriptions for securities on that day.

(n) Income Recognition

Dividend income is recorded on the ex-dividend date. Realized gains and losses on the sale of investments and unrealized appreciation or depreciation in the value of investments are calculated with reference to the average cost of the related investments.

(o) Brokerage Commissions

Brokerage commissions are expensed and are included in "Brokerage commissions" in the Statements of Comprehensive Income. Brokerage commissions include fees and commission paid to agents, advisors, brokers and dealers. The embedded brokerage commissions in the cost of the investment portfolio as at March 31, 2023 are disclosed in the Schedules of Investment Portfolio.

(p) Cash and Cash Equivalents

Cash and cash equivalents include cash with financial institutions and short-term investments with maturities less than 90 days from the date of acquisition. Short-term investments are carried at amortized cost plus accrued interest, which approximates fair value.

(q) Other Assets and Liabilities

Subscriptions receivable, due from brokers, accrued interest and dividends receivables are carried at amortized cost. Distributions payable, redemptions payable, due to brokers, management fees payable and accrued expenses payable are measured at amortized cost. Due to their short-term nature, the carrying value of these financial assets and financial liabilities approximates fair value.

(r) Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Securities per Security

Increase (decrease) in net assets attributable to holders of redeemable securities per security represents the increase (decrease) in net assets divided by the weighted average number of securities outstanding per series during the period.

(s) Assessment as an Investment Entity

Entities that meet the definition of an investment entity within IFRS 10 Consolidated Financial Statements are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- an entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- an entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- an entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Manager has concluded that the Funds meet the characteristics of an investment entity, in that they have more than one investment; the ownership interests are in the form of securities similar to equities to which a proportionate share of the net assets of the Funds are attributed; and they have more than one investor and their investors are not related parties.

The conclusion will be reassessed on an annual basis if any of these criteria or characteristics changes.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

Financial Instruments (continued)

(t) Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These judgements, estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingencies, as well as the reported amounts of investment income and expenses during the year. Actual results could differ from those estimates. The most significant accounting judgements and estimates made in preparing the financial statements include the fair value measurement of financial assets and liabilities in Note 2 (e) and Note 3, the classification of financial assets and liabilities in Note 2 (a) and the functional currency as disclosed in Note 2 (g).

(a) Fair Value Measurement of Securities not quoted in an active market and over-the counter derivative instruments

The Funds may hold financial instruments that are not quoted in active markets, including private placements. As discussed in the *Fair Value Measurements* note, the Manager uses its judgment in selecting an appropriate valuation technique for financial instruments that are not quoted in active markets and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Where no market data is available, the Funds may value positions using valuation models generally recognized as standard within the industry. The resulting values may differ materially from values that would have been used had a readily available market existed for the investments and the prices at which the investments may be sold.

(b) Functional Currency

The Manager considers the currency of the primary economic environment in which the Funds operates to be the Canadian dollar, as it is the currency with which the Funds measure their performance and issues and redeems their redeemable securities.

These conclusions will be reassessed on an annual basis if any of these criteria or characteristics change.

(u) Comparative amounts

Certain prior period comparative amounts have been reclassified to conform to the current period's presentation.

3. Fair Value Disclosure

The Funds are required to classify financial instruments measured at fair value using a fair value hierarchy. The Funds' financial assets measured at fair value have been categorized based upon a fair value hierarchy. The Funds' have established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows.

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 - Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation.

All fair value measurements above are recurring. The carrying values of cash and dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded, and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The Funds' policy is to recognize transfers in and out and between Levels 1 and 2 as per the value at the end of the reporting period and for transfers in and out of Level 3 as per the value at the date of transfer.

Details of each Funds' exposure to financial instruments risks including concentration risk and fair value hierarchy classification are available in the Fund Specific Notes to Financial Statements for each Fund.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

4. Redeemable Securities

The redeemable securities of the Funds are classified as liabilities. The securities have no par value and are entitled to distributions, if any. Upon redemption, a security is entitled to a proportionate share of the Funds' NAV.

The Funds are required to pay distributions in an amount not less than the amount necessary to ensure the Funds will not be liable for income taxes on realized capital gains, dividends and interest. The Funds have no restrictions or specific capital requirements on the subscriptions and redemptions of securities except as disclosed. The relevant movements in redeemable securities are shown in the Statements of Changes in Net Assets Attributable to Holders of Redeemable Securities.

Redeemable securities of the Funds are offered for sale on a continuous basis and may be purchased or redeemed on any Valuation Date (the "Valuation Date" is each day on which the TSX is open for trading) at the NAV per security of a particular series. The NAV per security of a series for the purposes of subscription or redemption is computed by dividing the NAV of the Fund attributable to the series (that is, the total fair value of the assets attributable to the series less the liabilities attributable to the series) by the total number of securities of the series of the Fund outstanding at such time on each Valuation Date, in accordance with Part 14 of National Instrument 81-106 Investment Fund Continuous Disclosure for the purpose of processing unitholder transactions. Net Assets are determined in accordance with IFRS and may differ to the Funds' NAV.

Expenses directly attributable to a series are charged to that series. Other expenses, income, realized and unrealized gains and losses from investment transactions are allocated proportionately to each series based upon the relative NAV of each series.

Redeemable securities issued and outstanding represent the capital of each Fund. Each Fund is authorized to issue an unlimited number of redeemable, transferable securities. The Funds are currently offered in mutual fund series securities (Series A, AA, B, BB, C, D, F, FF, FT6, I, L, O, O6, T6, T8A, T8B, T8C and PTF) and ETF securities (ETF Series). Each series of securities have identical voting, liquidation, and other rights and the same terms and conditions, differ principally in service fees, except for the ETF series which also differs in its method of distribution.

Mutual fund series securities may be redeemed on any business day, subject to the payment of applicable redemption fees, if any. If the value of securities falls below certain levels, the Manager has the right to redeem the securities. ETF Series securities may be redeemed on any trading day. ETF securities are redeemed at a redemption price per security equal to 96% of the closing price of the ETF Series securities on the effective date of redemption.

The Funds are authorized to issue an unlimited number of securities in each of ETF Series Securities, PTF Securities Series A Securities, Series AA Securities, Series B Securities, Series BB Securities, Series C Securities, Series D Securities, Series F Securities, Series FF Securities, Series FT6 Securities, Series L Securities, Series O Securities, Series O6 Securities, Series T6 Securities, Series T8A Securities, Series T8B Securities, Series T8C Securities and Series I Securities which are redeemable at the unitholder's option.

The ETF Series securities are the exchange-traded series of securities of the Funds. ETF Series securities of the Funds are issued and sold on a continuous basis. There is no maximum number of ETF Series securities that may be issued. The ETF Series securities are listed on the NEO Exchange Inc. The ticker symbol for the ETF Series securities of Starlight Global Infrastructure Fund is "SCGI" and the ticker symbol for the ETF Series securities of Starlight Global Real Estate Fund is "SCGR".

Redeemable security transactions information appears in the Fund Specific Notes to Financial Statements of each of the Funds.

As at March 31, the Manager held investments in the following Funds:

| Fund | as at March 31, 2023 | as at March 31, 2022 |
|---|----------------------|----------------------|
| | Securities | Securities |
| Starlight Global Infrastructure Fund | 4,428 | 4,185 |
| Starlight Global Real Estate Fund | 15,839 | 14,848 |
| Starlight Canadian Financial Services Covered Call Fund | 1 | – |
| Starlight Enhanced Yield Fund | 1 | – |
| Starlight Global Balanced Fund | 1 | – |
| Starlight Global Growth Fund | 1 | – |
| Starlight North American Equity Fund | – | – |
| Starlight Dividend Growth Class | 1 | – |

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

5. Management Fees

The Funds pay the Manager management fees for some series of securities. Management fees for other series of securities are paid directly by investors. The management fees cover the costs of managing the Funds, arranging for investment analysis, recommendations and investment decision making for the Funds, arranging for distribution of the Funds, marketing and promotion of the Funds and providing or arranging for other services for the Funds.

The management fee for all series except Series I is an annualized rate based on the NAV of each series of the Funds. The management fee for Series O and Series O6 is paid directly by these unitholders and not by the Funds. The management fee for Series I is negotiated and paid directly by these unitholders and not by the Funds.

The Manager may reduce the effective management fee payable by clients who invest large amounts in a particular Fund by waiving a portion of the management fee that it would otherwise be entitled to receive from the Fund or a unitholder and directing the Fund to make a management fee distribution in the amount of such waiver. All management fee distributions are automatically reinvested in additional securities of the relevant series of the Funds.

The Manager is entitled to an annual management fee, exclusive of sales taxes, as follows:

| Annual Management Fee (%) | Series* | | | | | | | |
|---|---------|------------|------|------------|------|--------|-------|------|
| | ETF | A, AA, T8A | T6 | B, BB, T8B | D | C, T8C | F, FF | FT6 |
| Starlight Global Infrastructure Fund | 0.90 | 1.90 | 1.90 | n/a | 0.90 | n/a | 0.90 | 0.90 |
| Starlight Global Real Estate Fund | 0.90 | 1.90 | 1.90 | n/a | 0.90 | n/a | 0.90 | 0.90 |
| Starlight Canadian Financial Services Covered Call Fund | n/a | 1.65 | n/a | n/a | n/a | n/a | 0.65 | n/a |
| Starlight Enhanced Yield Fund | n/a | 2.00 | n/a | n/a | n/a | n/a | 0.75 | n/a |
| Starlight Global Balanced Fund | n/a | 2.00 | n/a | 2.50 | n/a | 2.50 | 0.95 | n/a |
| Starlight Global Growth Fund | n/a | 2.00 | n/a | 2.50 | n/a | n/a | 0.98 | n/a |
| Starlight North American Equity Fund | n/a | 2.00 | n/a | 2.50 | n/a | 2.50 | 0.95 | n/a |
| Starlight Dividend Growth Class | n/a | 2.00 | n/a | 2.50 | n/a | 2.50 | 0.95 | n/a |

*If applicable

| Annual Management Fee (%) | Series* | | | | | | | | |
|---|---------|---|----|---|------|------|------|------|------|
| | L | O | O6 | I | R | R2 | PTF | T5A | T5F |
| Starlight Global Infrastructure Fund | - | - | - | - | - | - | - | - | - |
| Starlight Global Real Estate Fund | - | - | - | - | - | - | - | - | - |
| Starlight Canadian Financial Services Covered Call Fund | n/a | - | - | - | n/a | n/a | 0.65 | n/a | n/a |
| Starlight Enhanced Yield Fund | n/a | - | - | - | n/a | n/a | n/a | 2.00 | 0.75 |
| Starlight Global Balanced Fund | 2.50 | - | - | - | n/a | n/a | n/a | n/a | n/a |
| Starlight Global Growth Fund | 2.50 | - | - | - | n/a | n/a | 0.68 | n/a | n/a |
| Starlight North American Equity Fund | 2.50 | - | - | - | 2.50 | 2.00 | 0.65 | n/a | n/a |
| Starlight Dividend Growth Class | 2.50 | - | - | - | n/a | n/a | 0.65 | n/a | n/a |

*If applicable

6. Administration Fees and Operating Expenses

The Manager pays the operating expenses of the Starlight Global Infrastructure Fund and the Starlight Global Real Estate Fund, other than Fund Costs (as defined below) (the "Operating Expenses"), in exchange for the payment by the Fund of an administration fee (the "Administration Fee") to the Manager with respect to each series of the Fund. Starlight Global Infrastructure Fund and Starlight Global Real Estate Fund pay the Manager a fixed rate Administration fee. The Administration Fee paid to the Manager by a Fund in respect of a series may, in any particular period, be less than or exceed the Operating Expenses that the Manager incurs for the series. The Operating Expenses include, but are not limited to, audit fees, fund accounting costs, transfer agency and recordkeeping costs, custodian costs, administration costs and trustee services relating to registered tax plans, costs of printing and disseminating prospectuses, annual information forms and continuous disclosure materials, legal fees, bank charges, investor communication costs and regulatory filing fees. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

6. Administration Fees and Operating Expenses (continued)

The “Fund Costs”, which are payable by the Funds, are fees, costs and expenses associated with all taxes, borrowing and interest, unitholder meeting fees, the Independent Review Committee of the Funds or other advisory committees, production of the Fund Facts and ETF Facts, compliance with any governmental and regulatory requirements imposed commencing after September 21, 2018, any new types of costs, expenses or fees not incurred prior to September 21, 2018, including arising from new government or regulatory requirements relating to the Operating Expenses or related to external services that were not commonly charged in the Canadian mutual fund industry as of September 21, 2018.

The Manager may absorb a portion of the administration fees or certain specified expenses of a Fund or series of a Fund. The decision to absorb these expenses is reviewed periodically and determined at the discretion of the Manager, without notice to unitholders. Amounts absorbed are reported in the Statements of Comprehensive Income, as applicable.

The Administration Fee is equal to a specified percentage of the NAV of a series, calculated and paid in the same manner as the management fees for a Fund. The rate of the annual Administration Fee for each series is set out below:

| Series | Annual fixed administration fee rate |
|------------|--------------------------------------|
| ETF Series | 0.20% |
| Series A | 0.20% |
| Series T6 | 0.20% |
| Series F | 0.20% |
| Series FT6 | 0.20% |
| Series D | 0.20% |
| Series O | 0.15% |
| Series O6 | 0.15% |
| Series I | — |

Performance fees

Under the terms of the Investment Management Agreement, the portfolio manager for the below list of Funds is entitled to receive a performance fee (plus applicable taxes) from each Series (except Series O) of securities of the Fund equal to 10 percent of the amount by which the Fund's Series rate of return exceeds the return of each Fund's established benchmark since the last time a performance fee was paid multiplied by the Fund's average series NAV during the calendar year. No performance fee will be paid where the performance of the NAVPS of a series of securities is negative (without giving effect to any distributions or performance fee accrual) during the calendar year. There is no duplication of fees if a Fund invests in Underlying Investment Funds that are managed by SAM. Performance fees (if applicable), inclusive of HST, are reported on the Statements of Comprehensive Income (Loss).

The Funds' established benchmarks are disclosed in the following table. For all Funds, performance fees are limited to a maximum of 0.30 percent (plus applicable taxes) of the Funds' series average NAV during the calendar year. Such fees are accrued monthly, if applicable, and paid annually.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

| Fund | Performance Fee Benchmark |
|--------------------------------------|--|
| Starlight Dividend Growth Class | (i) 80% of the percentage gain or loss of the Morningstar® Canada Index; plus (ii) 20% of the percentage gain or loss of the Morningstar® US Large Cap Index. |
| Starlight North American Equity Fund | (i) 50% of the percentage gain or loss of the Morningstar® Canada Index; plus (ii) 50% of the percentage gain or loss of the Morningstar® US Large Cap Index. |
| Starlight Global Balanced Fund | (i) 15% of the percentage gain or loss of the Morningstar® Canada Index; plus (ii) 15% of the percentage gain or loss of the Morningstar® US Large Cap Index; plus (iii) 40% of the percentage gain or loss of the Morningstar® Canada Liquid Bond Index; plus (iv) 30% of the percentage gain or loss of the Morningstar® Developed Markets Large-Mid Cap Index. |
| Starlight Global Growth Fund | Morningstar® Developed Markets Large-Mid Cap Index. |

7. Soft dollar commissions

Brokerage commissions paid to certain brokers may, in addition to paying for the cost of brokerage services in respect of security transactions, also provide for the cost of investment research goods and services and order execution goods and services provided to the investment manager.

The value of such research services included in commissions paid to brokers for the periods ended March 31, 2023, March 31, 2022 and December 31, 2021 is as follows:

| Fund | Soft Dollar Commissions | |
|--------------------------------------|-------------------------|----------------|
| | March 31, 2023 | March 31, 2022 |
| Starlight Global Infrastructure Fund | 20 | 14 |
| Starlight Global Real Estate Fund | 7 | 21 |

| Fund | Soft Dollar Commissions | |
|---|-------------------------|-------------------|
| | March 31, 2023 | December 31, 2021 |
| Starlight Dividend Growth Class | – | 21 |
| Starlight Canadian Financial Services Covered Call Fund | – | – |
| Starlight Enhanced Yield Fund | – | – |
| Starlight North American Equity Fund | 6 | 1 |
| Starlight Global Balanced Fund | – | 2 |
| Starlight Global Growth Fund | – | – |

8. Commitments

Details of each Funds' commitments are available in the Fund specific notes to the financial statements for each Fund.

9. Taxation

Trusts

The Trusts qualify as mutual fund trusts under the Income Tax Act (Canada). All of the Trusts' net income for tax purposes and realized net capital gains in any taxation year are required to be distributed to securityholders such that no income tax is payable by the Trusts. Since the Trusts do not record income tax expense, deferred tax assets associated with the tax benefits of capital and non-capital losses will not be recognized on the Statements of Financial Position.

Withholding taxes imposed by certain countries on investment income and capital gains are recorded as a separate expense item on the Statements of Comprehensive Income (Loss).

The Trusts' capital losses realized by the Trust may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses may be carried forward up to twenty years and applied against net taxable capital gains and net income in future years.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

As at December 31, 2022, the Funds had the following capital and non-capital losses for income tax purposes, as applicable:

| Fund | Capital Losses | Total Non-Capital Losses | Non-Capital Losses that Expire In: | | | | | | | | | | | | | | |
|---|----------------|--------------------------|------------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----|
| | | | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | |
| Starlight Canadian Financial Services Covered Call Fund | \$ - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Starlight Enhanced Yield Fund | | 1,423 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Starlight North American Equity Fund | | 36,593 | 1,865 | - | 200 | - | - | 360 | 380 | - | - | 150 | - | - | 370 | - | 405 |
| Starlight Global Balanced Fund | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Starlight Global Growth Fund | | 21,927 | 855 | - | - | - | - | 241 | - | - | - | - | - | 614 | - | - | |
| Starlight Global Infrastructure Fund | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Starlight Global Real Estate Fund | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |

The Corporation

The Corporation qualifies as a Mutual Fund Corporation under the Income Tax Act (Canada). The Corporation computes its net income and net realized gains/losses for income tax purposes as a single entity. The Corporation is subject to a tax of 38 1/3% under Part IV of the Act on the amount of taxable dividends received from taxable Canadian corporations in the year. This tax is refundable to the Corporation upon the payment of taxable dividends to its securityholders at the rate of \$1.00 of tax for every \$2.61 of dividend paid. Interest and foreign dividends received are taxed at normal corporate rates subject to permitted deductions for expenses of the Corporation and applicable credits or deductions of foreign taxes paid.

Income taxes (if any) are allocated to each class of special shares of the Corporation, as applicable, on a reasonable basis.

The Corporation's capital losses realized by the Corporation may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses may be carried forward up to twenty years and applied against net taxable capital gains and net income in future years.

As at July 6, 2022, the Corporation had available tax losses as presented below:

| Fund | Capital Losses | Total Non-Capital Losses | Non-Capital Losses that Expire In: | | | | | | | | | | | | | |
|---------------------------------|----------------|--------------------------|------------------------------------|------|------|------|------|------|------|------|------|------|------|---|---|----|
| | | | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | | | |
| Starlight Dividend Growth Class | \$ - | \$ 28 | - | - | - | - | - | - | - | - | - | - | - | - | - | 28 |

10. Capital Risk Management

Securities issued and outstanding are considered to be the capital of the Funds. The Manager manages the capital of the Funds in accordance with the Funds' investment objectives. The Funds do not have any specific externally imposed capital requirements on the subscription of securities, other than certain minimum subscription requirements.

11. Financial Risk Management

The Funds' activities expose them to various types of risks that are associated with their investment strategies, financial instruments and markets in which they invest. The risks include market risk (including other price risk, currency risk, and interest rate risk), credit risk, liquidity risk and concentration risk. The Manager has established and maintains a governance structure that oversees the Funds' investment activities and monitors compliance with the Funds' stated investment objectives and guidelines. These risks and related risk management practices employed by the Funds are discussed below:

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

(a) Market Risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Funds are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Funds' investment portfolios are monitored on a daily basis by the Manager.

(b) Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. The investments of the Funds are subject to market fluctuations and the risks inherent in financial markets. The maximum risk resulting from financial instruments held by the Funds are determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Funds' other price risks are managed through diversification of the Funds' investments. The Manager monitors the Funds' overall market positions on a daily basis.

(c) Currency Risk

Currency risk is the risk that the value of financial instruments denominated in currencies, other than the functional currency of the Funds, will fluctuate due to changes in foreign exchange rates. Equities in foreign markets are exposed to currency risk as the prices denominated in foreign currencies are converted to the Funds' functional currency in determining fair value.

The Funds hold assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian dollar, the functional currency. They are therefore exposed to currency risk, as the value of the securities denominated in other currencies fluctuate due to changes in exchange rates.

In accordance with the Funds' policy, the Manager monitors currency positions as part of the overall portfolio construction.

(d) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Funds invest in interest-bearing financial instruments. The Funds are exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates.

The majority of the Funds' financial assets and liabilities are non-interest bearing as at March 31, 2023, March 31, 2022 and December 31, 2021. Excess cash and cash equivalents are invested in overnight deposits. As a result, the Funds (except for Starlight Global Balanced Fund) are not subject to a significant amount of interest rate risk due to fluctuations in the prevailing level of market interest rates. The Manager monitors interest rates changes and their impact on the Funds.

(e) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. All transactions in listed securities are settled or paid for upon delivery using approved brokers. The credit risk related to the associated receivables is considered limited, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

The Funds are exposed to credit risk with RBC, the custodian of the Funds and meets all the Canadian Securities Administrator's requirements to act as the custodian.

As at March 31, 2023, March 31, 2022 and December 31, 2021 the Funds had no significant investments in debt instruments and/or derivatives; therefore, credit risk is considered minimal.

(f) Liquidity Risk

Liquidity risk is the risk the Funds may not be able to generate sufficient cash resources to settle its obligations in full as they become due or can only do so on terms that are materially disadvantageous. Unitholder redemption requests are the main liquidity risk for the Funds. The Funds invest the majority of their assets in investments that are traded in an active market and can be readily disposed of.

The Funds invest primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Funds' policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests. However, there can be no assurance that an active trading market for the investments will exist at all times, or that the prices at which the securities trade accurately reflect their values. Thin trading in a security could make it difficult to liquidate holdings quickly.

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

The Funds are exposed to daily cash redemptions of the Funds' securities, however, the Funds maintain liquid and sufficient cash equivalent positions to maintain adequate liquidity. The Schedule of Investment Portfolio of each Fund identifies securities for which a market quotation could not be obtained and may be illiquid.

The Funds' accounts payable and accrued liabilities are generally due within 90 days. The Manager monitors the Funds' liquidity position on a daily basis.

(g) Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The Manager selects investments based on each Funds' investment objective, and in some cases, the Funds may be exposed to the risk of being invested, on a concentrated basis, in a particular security of asset class. A summary of the Funds' concentration risk by industry sector can be found in the Funds' Schedule of Investment Portfolio and by geography can be found in the Fund Specific Notes to Financial Statements for each Fund.

12. Interest in Non-Consolidated Structured Entities

Interest in non-consolidated structured entities of Starlight Global Real Estate Fund, Stone Global Balanced Fund and Stone Growth Fund appears in the Fund Specific Notes to Financial Statements.

13. Related Parties

(a) Management fees

The Funds' investment activities are managed by the Manager. The management fee is calculated based on a percentage of the net asset values of each series of a Fund (other than Series O, Series O6 and Series I) at the end of each business day and are subjected to application taxes including HST, GST and QST. Management fees are accrued daily and paid monthly.

Investors in Series O and Series O6 Securities are charged management fees directly and not by the Funds. Investors in Series I Securities are charged management fees directly as negotiated between the investor and the Manager.

(b) Performance fees

The Manager is entitled to receive a performance fee from each series of securities of Starlight Dividend Growth Class, Starlight North American Equity Fund, Starlight Global Balanced Fund and Starlight Global Growth Fund. The performance fee is based on the performance of a series (with the exception of Series I) of securities of a Fund from the last time a performance fee was paid for such series to the next calendar year end at which a performance fee is payable. Performance fees are accrued daily and paid annually.

(c) Administration fees

The Manager earns administration fees in return for paying certain operating expenses of the Starlight Global Infrastructure Fund and the Starlight Global Real Estate Fund. The administration fee is calculated based on a percentage of the net asset values of each series of a Fund (other than Series I) at the end of each business day and are subjected to application taxes including HST, GST and QST. Fixed administration fees are accrued daily and paid monthly.

Investors in Series I Securities are charged fixed administration fees directly as negotiated between the investor and the Manager.

(d) Operating fees

The Manager provides fund operations and administrative services for each Stone Fund. The Manager is paid operating fees from each Stone Fund to cover third-party fund expenses and the Manager's fund administration costs. The fees are accrued daily and paid monthly. Operating fees include, but are not limited to legal and audit fees, transfer agency costs, custodian costs, filing fees, administrative costs charged by the Manager, and the Independent Review Committee of the Funds. Operating fees incurred by the Funds are allocated among the Series on a reasonable basis as determined by the Manager.

At its sole discretion, the Manager may waive or absorb expenses otherwise payable by the Funds. The amount of waivers and absorptions can fluctuate from time to time and may be terminated at any time.

(e) Expenses absorbed by the Manager

Expenses waived by the Manager are included in "Expenses waived/absorbed by the Manager" on the Statements of Comprehensive Income (Loss).

Starlight Capital Mutual Funds

Notes to the Financial Statements

March 31, 2023

(In Canadian dollars, in \$000s)

(f) Security transactions with related parties

Officers, directors and related entities of the Manager invest in securities of the Funds from time to time in the normal course of business on the same basis as arms-length investors. Details of the investments made by the Manager are disclosed in Note 5.

14. Subsequent Events

On June 16, 2023, the Manager re-designated the following Series of securities:

| Fund | Series prior to June 16, 2023 re-designation | Series after June 16, 2023 re-designation |
|--------------------------------------|---|--|
| Starlight Global Infrastructure Fund | D | A |
| Starlight Global Real Estate Fund | D | A |
| Starlight Dividend Growth Class | T8C | T8A |
| Starlight Global Balanced Fund | BB, L, T8C | AA, T8A |

CORPORATE INFORMATION

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BOARD of DIRECTORS, AUDIT COMMITTEE and EXECUTIVE TEAM

DANIEL DRIMMER

Chairman of the Board, Chair of the Audit Committee

LEONARD DRIMMER

Director

NEIL FISCHLER

Director

DENNIS MITCHELL

Director, Audit Committee Member, Chief Executive Officer and Chief Investment Officer

GRAEME LLEWELLYN

Director, Audit Committee Member, Chief Financial Officer and Chief Operating Officer

INVESTMENT MANAGEMENT TEAM

DENNIS MITCHELL

Chief Executive Officer and Chief Investment Officer

MICHAEL GIORDANO

Vice-President and Senior Portfolio Manager

SEAN TASCATAN

Senior Portfolio Manager

HISHAM YAKUB

Senior Portfolio Manager