

STONE GROWTH FUND

(formerly STONE & CO. FLAGSHIP STOCK FUND CANADA)

Interim Management Report of Fund Performance

June 30, 2018



This interim Management Report of Fund Performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial reports or annual financial statements at your request, and at no cost, by calling 1 800 336 9528; by writing to us at Stone Asset Management Limited, 40 University Ave., Suite 901, Toronto, Ontario, M5J 1T1; or by visiting our website at www.stoneco.com; or SEDAR at www.sedar.com.

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

STONE GROWTH FUND (formerly STONE & CO. FLAGSHIP STOCK FUND CANADA)

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

June 30 2018

INVESTMENT OBJECTIVES

The investment objective of the Stone Growth Fund (the "Fund") is to provide investors exposure to North American equity securities seeking long-term capital appreciation.

INVESTMENT STRATEGIES

The Fund will invest primarily in North American equities. It is anticipated that the Fund will invest approximately 50% of the portfolio in Canadian securities and 50% in US securities with a collar of $\pm 20\%$. It will also have the flexibility to increase or decrease geographic exposure from time to time depending on market conditions.

RISK

The overall long-term risk of the Fund is as described in the most recent simplified prospectus. No material changes occurred that would significantly increase the risk associated with an investment in the Fund during the period.

RESULTS OF OPERATIONS

The first quarter of 2018 was one of the most turbulent in the history of financial markets with few places to hide. After what followed to be a year of low volatility in 2017, investors have had a myriad of issues to deal with so far in 2018. The year began with a month for the ages in the stock markets.

By the end of the first half, the US markets continued to trade within a range unable to recapture the year's high while the TSX Index rallied to a new all-time high.

The near-absence of volatility throughout 2017 and the first month of 2018 ended in a violent move higher for the CBOE Volatility Index (the "VIX") in February. Volatility has returned albeit at much lower rates than historical norms. The S&P 500 Index had 12 trading days with moves of at least 1% in either direction in February and by the midpoint of 2018 there had been 4.5 times the number of 1% moves in the market than for all of 2017.

This caused the VIX index to more than double from below 10 in 2017 to levels well above 20 for much of the first quarter. The VIX has since been trending back down to around 13, which is historically low but much higher than what the market has become accustomed to.

Despite trade concern headlines, global growth has been strong for 2018. The upswing in global growth projections has also been a cause for higher interest rates as growth ultimately leads to inflation. Although inflation has yet to be an issue for central banks, synchronized global growth, governments enforcing minimum wage structures immediately rather than gradually, increased asset prices especially for real estate and stocks, increased commodity prices and increased taxes could result in inflation surprises to the upside.

This grinding upward move in both headline and core inflation has been one of the factors behind the rise in yields.

Headline consumer price inflation in the OECD has spent most of the past year above the 2% camp that most central banks set as their target. The 10-year US Treasuries managed to peak above the 3% level only to pull back below just as quickly for the first time since 2014, and shorter-dated issues are also at decade-highs.

The 2-year treasury yield has surpassed the S&P 500 Index yield on equities for the first time since the credit crisis. As this gap widens, the incentive to own bonds over stocks is greater. Utilities, Telecommunications and REITs have lagged on concerns of rising interest rates as these bond-proxy sectors are the most sensitive to rising rates.

At the same time rates are rising, the demand picture for bonds is deteriorating as one of the biggest buyers of US bonds will ease up on the purse strings. The Federal Reserve (the "Fed") has indicated that it will be stepping back from the market in its desire to remove the quantitative easing ("QE") it initiated after the credit crisis.

This cutback in demand will come at a time when the supply of new debt instruments is forecast to increase. The Fed has been increasing rates steadily and has indicated that "further" interest rate hikes are coming with estimates of up to three-four hikes in 2018 and an additional three hikes in 2019.

After a six-month pause on interest rate policy, the Bank of Canada (the "BoC") is giving mixed signals on its next move on interest rates given the challenging hand of cards it has been dealt. On the one hand, the economy is operating at potential and inflation is close to its intended target. On the other hand, the BoC governor Stephen Poloz has issues such as elevated household debt levels, a hot housing market and the start of a trade war to deal with.

On top of that, NAFTA negotiations do not appear to be making any progress. The US's decision to impose steel and aluminum tariffs on its closest allies, including Canada, has sparked a potential global trade war. Canada responded by levying \$16.6B of tariffs on US imported goods across many products.

Investors are hoping the US will avoid placing further trade barriers on Canada and Mexico, even if it leads to bilateral agreements with the parties involved. Globalization has played a major role in the growth of corporate earnings and any move toward protectionist policies would impede global economic growth.

Given the unpredictability of Trump policy, we can see why Poloz is non-committal on Canada's interest rate policy.

Energy has surprised many as it was the best-performing sector in both the S&P 500 Index and the TSX Index for the second quarter. Lead by a surging price of crude oil, US energy equities returned 12% for the quarter and 6.8% year to date while Canadian energy names were also strong returning 13.7% over the same quarter and up 4.8% year to date.

STONE GROWTH FUND (formerly STONE & CO. FLAGSHIP STOCK FUND CANADA)

MANAGEMENT DISCUSSION OF FUND PERFORMANCE (continued)

Oil companies are generating excellent cash flows and paying back shareholders in the form of dividends. The surging oil price is on the back of a disciplined OPEC-Russia supply response as well as surging demand from the global GDP growth. This has led to record production in the US but surging exports to global markets, resulting in record inventory drawdowns both in the US and globally.

Supply disruptions are being experienced in other parts of the world such as Venezuela with economic and political turmoil affecting production and Libya with a force majeure on its oil export facilities.

Technology stocks dipped near the end of the period and finished slightly off their all-time highs with some individual names down much more. Enriched by corporate tax cuts from the Trump administration and a strong global economy, these companies continue to generate excellent cash flows and are paying back shareholders in the form of dividends and share buybacks.

Technology disruption and favourable government court decisions are creating a healthy mergers and acquisitions market. There has been \$2.35T in deals announced globally this year, up 57% from the same time in 2017. Given the increasingly robust global economy, CEOs are more confident in entering these types of deals and investing in growth.

The Fund Manager maintained a bias toward US markets with a significant overweight in US Information Technology and underweighting Energy, Industrials, Materials, Telecommunications and Utility sectors, relative to its benchmark.

The Energy weight was increased early in the year with the addition of three Canadian oil & gas companies. Despite the increased weight, the Fund remained well below the benchmark weight of 20.2%.

Weighting in the Technology sector grew slightly even as several positions were trimmed to take advantage of strong stock performance. The average return for the sector holdings over the period was 19.5%, slightly better than the benchmark. The best-performing holding in Technology during the period was cyber security firm Palo Alto Networks Inc., which was up 48.5%, a company that the Fund has had an active position in for several years.

Health Care weighting in the portfolio decreased slightly over the period despite selling out of a long-held position in Allergan PLC after the company released several weak reports. The Fund's position in UnitedHealth Group Inc. was trimmed opportunistically and our small position in Boston Scientific Corp. returned over 38% for the period.

Weight in Consumer Staples remained flat due to strong performance in both Costco Wholesale Corp. and Jamieson Wellness Inc., up 18.2% and 20%, respectively, over the period. This is in stark contrast to the benchmark performance for the sector with a -1.1% return.

Weight in Consumer Discretionary also increased due to Amazon.com Inc. and TJX Cos. Inc. share price appreciation increasing their weightings in the Fund.

The weighting in Industrials also increased given the strong performance of Drone Delivery Canada Corp., up 92.5% over the period, making up for the exit of weakening performance from Maxar Technologies Ltd.

Long-term secular themes of aging populations and US health care system reforms merit continued exposure to the Health Care sector, including health care providers and prescription drug manufacturers. The Fed raised interest rates during the period and has indicated more rate hikes are likely, supporting the Fund's exposure to the US Financial Services sector.

The Fund continues to have a bias toward large-capitalization companies in the US with strong catalysts for growth. The Fund had maintained a lower-than-normal cash level even as the manager has been actively trimming positions after our target prices were reached on certain securities. The Fund had a cash balance of 2.2% at the end of the period, down from 12.9% at the end of last year.

The Fund outperformed its benchmark over the period, attributable to a positive currency impact while asset allocation to the Technology sector also factored in performance. A more optimistic outlook for the US economy and potential trade woes for Canadian businesses resulted in a 4.5% increase in the Canadian dollar versus the US dollar during the period.

The Fund is weighted to the US market with 77.0% exposure to the US on a look-through basis, which is in line from last year.

As a result, the Fund's Series generated the following returns for the period.

Series						
A	B	F	L	T8A	T8B	T8C
15.0	14.7	15.5	14.7	15.0	14.7	14.8

Any differences in performance returns between Series are primarily due to different management, operating and performance fees that are applicable to a particular Series.

Please refer to "Past Performance" for details regarding the performance of the Fund. The calculation of the Fund's performance takes into consideration all fees and expenses of the Fund, which are not applicable in the calculation of the benchmark's performance. The Fund's broad-based benchmark, the S&P/TSX Composite Index increased 1.9% over the same period.

The comparison to this broad-based index is provided to enable you to compare the Fund's performance relative to that of the general market. A comparison to the Fund's blended benchmark, which is composed of 50% of the S&P/TSX Composite Index and 50% of the S&P 500 Index, provides a comparison to a benchmark that is more reflective of the Fund's investment objective and strategy. The blended benchmark gained 5.0% over the same period.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE (continued)

Change in Net asset value

Net Assets of the Fund decreased by 2.6% or \$0.4 million during the period, from \$15.3 million at December 31, 2017 to \$14.9 million at June 30, 2018. This change in Net Assets is attributed to net sales (redemptions) of (\$2.4) million, cash distributions of \$0.1 million and \$2.1 million to investment operations, including market appreciation (depreciation), income and expenses.

RECENT DEVELOPMENTS

Please see “Results of Operations” for market-related developments. There are no known changes at this time to the manager, portfolio manager or the composition of the Independent Review Committee

On July 11, 2017 the security holders of the Fund approved changes to the Fund’s fundamental investment objectives. A summary of the new and old investment objectives are summarized below:

New:

To provide investors exposure to North American equity securities seeking long-term capital appreciation.

Old:

To provide superior investment returns through capital growth by investing primarily in Canadian equity securities. Current income is a secondary investment objective.

Along with the approval of the changes to the fundamental investment objectives, the performance benchmark was also revised as per below:

New:

50% of the percentage gain or loss of the S&P/TSX Composite Index; plus

50% of the percentage gain or loss of the S&P 500 Index.

Old:

80% of the percentage gain or loss of the S&P/TSX Composite Index; plus

20% of the percentage gain or loss of the S&P 500 Index.

On July 26, 2017, the Fund Manager announced changes to the Fund name from Stone & Co. Flagship Stock Fund Canada to Stone Growth Fund.

All changes came into effect on August 22, 2017.

Statement of Compliance

The financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”), as published by the International Accounting Standards Board (“IASB”).

RELATED PARTY TRANSACTIONS

Stone Asset Management Limited (“SAM”) is the manager and portfolio manager of the Fund. SAM is a wholly owned subsidiary of Stone Investment Group Limited.

In order to obtain foreign growth, the Fund is invested in Series A securities of Stone Global Growth Fund. The Manager ensures there is no duplication of management and performance fees, if the Fund invests in another Fund managed by the Manager.

Fund Manager

As Fund Manager, SAM is responsible for managing the Fund’s overall business and day-to-day operational services, as described under the headings “Management Fees” and “Operating Fees”.

Portfolio Manager

As Portfolio Manager, SAM is responsible for providing portfolio management services to the Fund.

Under the terms of the Investment Management Agreement, the Portfolio Manager is entitled to receive a performance fee (plus applicable taxes) from each Series 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 the Fund’s established benchmark since the last time a Performance fee was paid, multiplied by the Fund’s average series Net Asset Value (“NAV”) during the calendar year.

Performance fees are limited to a maximum of 0.30 percent (plus applicable taxes) of the Funds’ Series average Net Asset Value during the calendar year. Such fees are accrued monthly, if applicable, and paid annually.

Management fees

The Fund pays a management fee, calculated daily and paid monthly, based on the following schedule:

Series	A	B	F	L	T8A	T8B	T8C
Annual Fee (%)	2.0	2.5	0.95	2.5	2.0	2.5	2.5

The following table lists the major services received by the Fund, as a percentage of the Management Fee:

Series	A	B	F	L	T8A	T8B	T8C
Dealer Compensation (%)	50	20	-	20	50	20	30
Investment and Fund Management (%)	50	80	100	80	50	80	70
Total (%)	100	100	100	100	100	100	100

Operating fees

The Fund pays operating fees (the “Operating Fees”) to SAM for the day-to-day operational services. The Operating Fees include, but are not limited to: legal and audit fees, transfer agency costs, custodian costs, filing fees, administrative and overhead costs charged by SAM, and the Independent Review Committee of the Fund.

Operating fees incurred by the Fund are allocated among the Series on a reasonable basis as determined by SAM.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE (continued)

At its sole discretion, the manager may waive management fees or absorb expenses of the Fund. The management expense ratios of each of the series of units of the Fund with and without the waivers and absorptions are reported in the Ratios and Supplemental Data table.

Independent Review Committee

SAM has established the Independent Review Committee (the “IRC”) for the Fund in accordance with the requirements of National Instrument 81-107 – Independent Review Committee for Investment Funds in order to review conflicts of interest as they relate to investment fund management.

The compensation and other reasonable expenses of the IRC are paid pro rata out of the assets of the Fund for which the independent review committee acts. The main component of compensation is an annual retainer. The Chair of the IRC is entitled to an additional fee.

STONE GROWTH FUND (formerly STONE & CO. FLAGSHIP STOCK FUND CANADA)

FINANCIAL HIGHLIGHTS

The following tables present selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated.

THE FUND'S NET ASSETS PER SECURITY¹

Series	As at	Net assets, beginning of period ²	Increase (decrease) from operations ² (All figures in (\$))				Distributions ^{2,3}				Net assets, end of period	
			Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the period	Unrealized gains (losses) for the period	Total increase (decrease) from operations ²	Net investment income (excluding dividends)	Dividends	Capital gains		Return of capital
A	Jun 2018	11.56	0.06	(0.24)	0.78	1.14	1.74	-	-	-	-	13.28
	Dec 2017	11.14	0.11	(0.37)	1.04	(0.40)	0.38	-	-	-	-	11.56
	Dec 2016	11.97	0.10	(0.35)	0.30	(0.99)	(0.94)	-	-	-	-	11.14
	Dec 2015	11.15	0.15	(0.36)	1.45	(0.45)	0.79	-	-	-	-	11.97
	Dec 2014	9.05	0.11	(0.28)	1.47	0.79	2.09	-	-	-	-	11.15
	Dec 2013	7.01	0.10	(0.22)	(0.41)	2.57	2.04	-	-	-	-	9.05
B‡	Jun 2018	10.53	0.05	(0.25)	0.69	1.15	1.64	-	-	-	-	12.07
	Dec 2017	10.20	0.09	(0.39)	0.99	(0.38)	0.31	-	-	-	-	10.53
	Dec 2016	11.02	0.09	(0.38)	0.22	(0.91)	(0.98)	-	-	-	-	10.20
	Dec 2015	10.32	0.14	(0.39)	1.31	(0.47)	0.59	-	-	-	-	11.02
	Dec 2014	8.41	0.10	(0.30)	1.36	0.74	1.90	-	-	-	-	10.32
	Dec 2013	6.54	0.09	(0.23)	(0.37)	2.37	1.86	-	-	-	-	8.41
C‡	Jun 2018	n/a	n/a	n/a	n/a	n/a	n/a	-	-	-	-	n/a
	Dec 2017	n/a	n/a	n/a	n/a	n/a	n/a	-	-	-	-	n/a
	Dec 2016	n/a	n/a	n/a	n/a	n/a	n/a	-	-	-	-	n/a
	Dec 2015	11.06	0.15	(0.40)	1.70	(0.53)	0.92	-	-	-	-	n/a
	Dec 2014	9.01	0.12	(0.32)	1.47	0.77	2.04	-	-	-	-	11.06
	Dec 2013	7.01	0.09	(0.25)	(0.39)	2.50	1.95	-	-	-	-	9.01
F	Jun 2018	14.19	0.08	(0.22)	0.97	1.37	2.20	-	-	-	-	16.38
	Dec 2017	13.49	0.12	(0.26)	1.32	(0.52)	0.66	-	-	-	-	14.19
	Dec 2016	14.35	0.12	(0.30)	0.52	(1.16)	(0.82)	-	-	-	-	13.49
	Dec 2015	13.25	0.18	(0.30)	1.70	(0.78)	0.80	-	-	-	-	14.35
	Dec 2014	10.67	0.13	(0.24)	1.75	0.95	2.59	-	-	-	-	13.25
	Dec 2013	8.21	0.11	(0.18)	(0.46)	3.02	2.49	-	-	-	-	10.67
L*	Jun 2018	15.26	0.08	(0.36)	1.04	1.47	2.23	-	-	-	-	17.50
	Dec 2017	14.79	0.12	(0.56)	1.42	(0.56)	0.42	-	-	-	-	15.26
	Dec 2016	15.94	0.13	(0.54)	0.42	(1.46)	(1.45)	-	-	-	-	14.79
	Dec 2015	15.02	0.21	(0.63)	1.65	(0.84)	0.39	-	-	-	-	15.94
	Dec 2014	12.30	0.15	(0.51)	2.14	0.75	2.53	-	-	-	-	15.02
	Dec 2013	9.63	0.09	(0.36)	(0.63)	3.42	2.52	-	-	-	-	12.30
T8A	Jun 2018	4.70	0.02	(0.10)	0.31	0.46	0.69	-	-	(0.19)	(0.19)	5.21
	Dec 2017	4.92	0.04	(0.15)	0.46	(0.23)	0.12	-	-	(0.39)	(0.39)	4.70
	Dec 2016	5.82	0.05	(0.16)	0.44	(0.43)	(0.10)	-	-	(0.48)	(0.48)	4.92
	Dec 2015	5.85	0.08	(0.18)	0.74	(0.28)	0.36	-	-	(0.47)	(0.47)	5.82
	Dec 2014	5.11	0.06	(0.15)	0.80	0.43	1.14	-	-	(0.41)	(0.41)	5.85
	Dec 2013	4.26	0.05	(0.12)	(0.25)	1.47	1.15	-	-	(0.34)	(0.34)	5.11
T8B†	Jun 2018	4.46	0.02	(0.10)	0.30	0.44	0.66	-	-	(0.18)	(0.18)	4.93
	Dec 2017	4.70	0.04	(0.17)	0.44	(0.20)	0.11	-	-	(0.38)	(0.38)	4.46
	Dec 2016	5.58	0.05	(0.18)	(0.11)	(0.46)	(0.70)	-	-	(0.46)	(0.46)	4.70
	Dec 2015	5.64	0.07	(0.20)	0.74	(0.17)	0.44	-	-	(0.45)	(0.45)	5.58
	Dec 2014	4.95	0.06	(0.17)	0.77	0.42	1.08	-	-	(0.40)	(0.40)	5.64
	Dec 2013	4.15	0.06	(0.14)	(0.23)	1.45	1.14	-	-	(0.34)	(0.34)	4.95
T8C†	Jun 2018	4.47	0.02	(0.10)	0.30	0.45	0.67	-	-	(0.18)	(0.18)	4.94
	Dec 2017	4.70	0.04	(0.17)	0.45	(0.20)	0.12	-	-	(0.38)	(0.38)	4.47
	Dec 2016	5.58	0.05	(0.18)	0.13	(0.43)	(0.43)	-	-	(0.46)	(0.46)	4.70
	Dec 2015	5.64	0.07	(0.20)	0.73	(0.17)	0.43	-	-	(0.45)	(0.45)	5.58
	Dec 2014	4.95	0.06	(0.16)	0.77	0.43	1.10	-	-	(0.40)	(0.40)	5.64
	Dec 2013	4.15	0.06	(0.15)	(0.23)	1.46	1.14	-	-	(0.34)	(0.34)	4.95

†Series closed to new purchases on December 4, 2009.

‡Series closed to new purchases on August 31, 2011.

*Series opened on September 1, 2011.

Explanatory Notes:

- This information is derived from the Fund's unaudited financial report and annual audited financial statements.
- Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase/(decrease) from operations is based on the weighted average number of securities outstanding over the financial period. It is not intended that the Fund's net asset per security table act as a continuity of opening and closing net assets per security.
- Distributions were paid in cash and/or reinvested in additional securities of the Fund.

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FINANCIAL HIGHLIGHTS (continued)

RATIOS AND SUPPLEMENTAL DATA

Series	As at	Total net asset value (\$000's) ¹	Number of securities outstanding ¹	Management expense ratio ("MER") (%) ²	MER before waivers or absorptions (%) ²	Trading expense ratio (%) ³	Portfolio turnover rate (%) ⁴	Net asset value per security (\$)
A	Jun 2018	4,069	306,313	3.64	3.80	0.08	11	13.28
	Dec 2017	3,895	337,016	3.26	3.28	0.20	29	11.56
	Dec 2016	5,790	519,790	3.16	3.16	0.20	47	11.14
	Dec 2015	6,470	523,769	3.23	3.23	0.18	38	12.35
	Dec 2014	5,898	528,884	3.13	3.14	0.21	27	11.15
	Dec 2013	5,283	583,926	3.13	3.16	0.18	50	9.05
B [†]	Jun 2018	4,128	342,023	4.18	4.33	0.08	11	12.07
	Dec 2017	4,999	474,797	3.81	3.83	0.20	29	10.53
	Dec 2016	6,997	685,833	3.71	3.71	0.20	47	10.20
	Dec 2015	9,449	830,535	3.74	3.74	0.18	38	11.38
	Dec 2014	7,644	740,502	3.58	3.59	0.21	27	10.32
	Dec 2013	7,823	930,054	3.57	3.60	0.18	50	8.41
C [‡]	Jun 2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Dec 2017	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Dec 2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Dec 2015	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Dec 2014	322	29,069	3.56	3.57	0.21	27	11.06
	Dec 2013	299	33,181	3.58	3.61	0.18	50	9.01
F	Jun 2018	1,510	92,191	2.65	2.81	0.08	11	16.38
	Dec 2017	1,334	94,052	1.90	1.93	0.20	29	14.19
	Dec 2016	1,233	91,377	2.19	2.19	0.20	47	13.49
	Dec 2015	1,305	88,096	2.36	2.36	0.18	38	14.81
	Dec 2014	762	57,505	2.36	2.37	0.21	27	13.25
	Dec 2013	524	49,115	2.35	2.37	0.18	50	10.67
L*	Jun 2018	446	25,480	4.16	4.32	0.08	11	17.50
	Dec 2017	438	28,733	3.79	3.81	0.20	29	15.26
	Dec 2016	459	31,054	3.67	3.67	0.20	47	14.79
	Dec 2015	565	34,288	4.17	4.17	0.18	38	16.48
	Dec 2014	71	4,716	4.06	4.07	0.21	27	15.02
	Dec 2013	36	2,925	3.65	3.68	0.18	50	12.30
T8A	Jun 2018	2,162	415,131	3.60	3.75	0.08	11	5.21
	Dec 2017	2,041	434,132	3.21	3.24	0.20	29	4.70
	Dec 2016	4,125	838,842	3.17	3.17	0.20	47	4.92
	Dec 2015	2,422	403,275	3.22	3.22	0.18	38	6.01
	Dec 2014	1,917	327,583	3.12	3.13	0.21	27	5.85
	Dec 2013	1,451	283,704	3.04	3.06	0.18	50	5.11
T8B [†]	Jun 2018	2,136	432,982	4.08	4.23	0.08	11	4.93
	Dec 2017	2,137	478,642	3.75	3.78	0.20	29	4.46
	Dec 2016	3,115	663,267	3.60	3.60	0.20	47	4.70
	Dec 2015	6,937	1,204,035	3.65	3.65	0.18	38	5.76
	Dec 2014	8,074	1,431,657	3.51	3.52	0.21	27	5.64
	Dec 2013	8,289	1,675,074	3.51	3.54	0.18	50	4.95
T8C [‡]	Jun 2018	463	93,738	4.01	4.17	0.08	11	4.94
	Dec 2017	458	102,435	3.66	3.69	0.20	29	4.47
	Dec 2016	524	111,490	3.55	3.55	0.20	47	4.70
	Dec 2015	710	123,210	3.61	3.61	0.18	38	5.76
	Dec 2014	778	137,866	3.51	3.52	0.21	27	5.64
	Dec 2013	856	173,007	3.65	3.67	0.18	50	4.95

[†]Series closed to new purchases on December 4, 2009

[‡]Series closed to new purchases on August 31, 2011.

*Series opened on September 1, 2011.

Explanatory Notes:

- This information is provided as at each period shown.
- Management expense ratio ("MER") for each series is based on total expenses (excluding distributions, commissions and other portfolio transaction costs), including the pro-rata share of expenses of any underlying Stone Funds, for the stated period and is expressed as an annualized percentage of daily average NAV during the period. The MER excluding performance fees for the period ending June 30, 2018 was 3.35% - Series A, 3.87% - Series B, 2.36% - Series F, 3.87% - Series L, 3.30% - Series T8A, 3.78% - Series T8B, 3.73% - Series T8C, for the period ending December 31, 2015 was 3.87% - Series L.
- The trading expense ratio represents total commissions and other portfolio transaction costs, of the Fund and the pro-rata share of any underlying Stone Funds expressed as an annualized percentage of daily average net asset value during the period.
- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turnover in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

STONE GROWTH FUND (formerly STONE & CO. FLAGSHIP STOCK FUND CANADA)

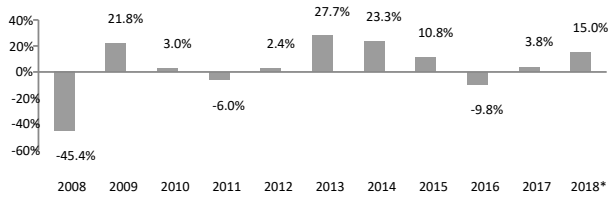
PAST PERFORMANCE

YEAR-BY-YEAR RETURNS

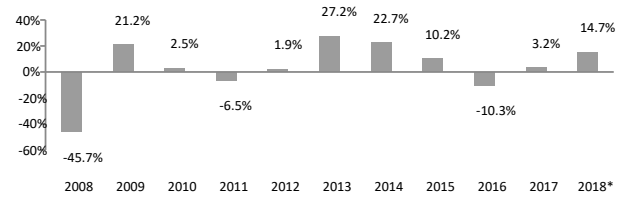
The performance information presented herein assumes all dividends of the Fund during the periods presented were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, or other charges that would have reduced returns or performance. Past performance of the Fund is not necessarily indicative of how it will perform in the future.

The following charts present the Fund's performance for each of the periods shown and illustrate how the Fund's performance varied from year to year. The charts show, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year, except where noted.

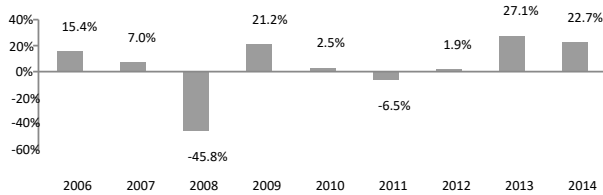
Series A



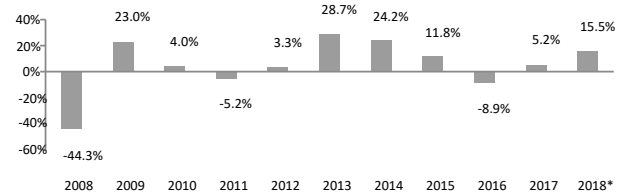
Series B



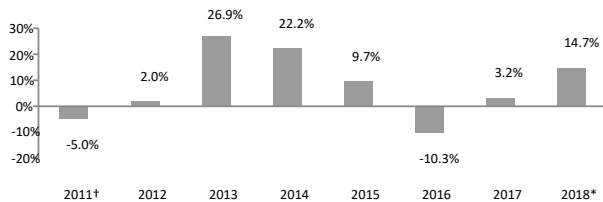
Series C ‡



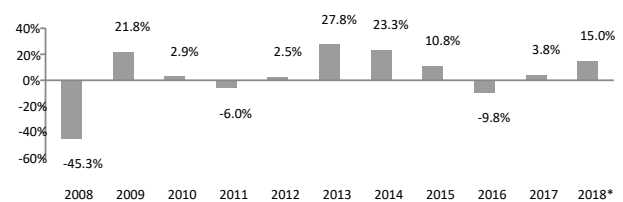
Series F



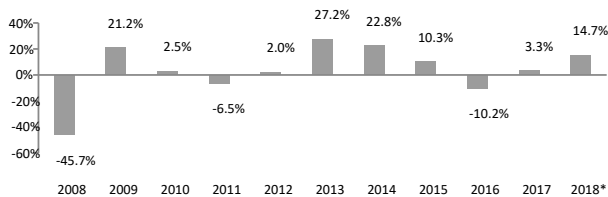
Series L



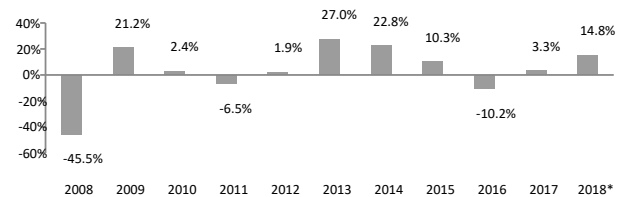
Series T8A



Series T8B



Series T8C



† From inception to December 31 of that year.

‡ Effective September 4, 2015, Series C units were redesignated as Series L. As this Series did not exist as of December 31, 2015, Year-by-Year returns for this Series are not presented for 2015 and onward.

* For the six-month period ended June 30, 2018.

STONE GROWTH FUND (formerly STONE & CO. FLAGSHIP STOCK FUND CANADA)

SUMMARY OF INVESTMENT PORTFOLIO

AS AT JUNE 30, 2018

TOP 25 HOLDINGS		PORTFOLIO COMPOSITION	
Name of Security	% of Total Net Asset Value	Sector Allocation (%)†	
Stone Global Growth Fund, Series 'A'	11.8	Consumer Discretionary	12.1
Amazon.com Inc.	9.0	Consumer Staples	5.7
UnitedHealth Group Inc.	6.7	Energy	5.1
Microsoft Corp.	5.6	Financials	9.9
Alphabet Inc., Class 'C'	4.9	Health Care	12.1
MasterCard Inc., Class 'A'	4.2	Industrials	5.9
Visa Inc., Class 'A'	4.2	Information Technology	40.4
Accenture PLC, Class 'A'	3.8	Materials	3.2
Cash & cash equivalents	3.6	Miscellaneous‡	2.8
JPMorgan Chase & Co.	3.6	Other net assets (liabilities)	(0.8)
Drone Delivery Canada Corp.	3.4	Cash & cash equivalents	3.6
Cognizant Technology Solutions	3.0	Industry Allocation (%)†	
Bank of America Corp.	2.9	Aerospace & Defense	3.4
Worldpay Inc.	2.9	Banks	6.6
Costco Wholesale Corp.	2.6	Biotechnology	2.1
AES Corp.	2.5	Chemicals	1.5
Kinaxis Inc.	2.4	Diversified Financial Services	1.2
Analog Devices Inc.	2.2	Food & Staples Retailing	2.6
Jamieson Wellness Inc.	2.1	Health Care Equipment & Supplies	2.5
BioMarin Pharmaceutical Inc.	2.1	Health Care Providers & Services	7.0
Enerplus Corp.	2.0	Independent Power and Renewable Electricity	2.5
TJX Cos. Inc.	2.0	Insurance	1.4
Micron Technology Inc.	1.8	Internet & Direct Marketing Retail	9.5
Husky Energy Inc.	1.6	Internet Software & Services	6.1
Orocobre Ltd.	1.5	IT Services	19.6
	92.4	Metals & Mining	1.5
		Oil, Gas & Consumable Fuels	5.1
		Personal Products	2.1
		Semiconductors & Semiconductor Equipment	4.2
		Software	9.4
		Specialty Retail	2.2
		Miscellaneous‡	6.7
		Other net assets (liabilities)	(0.8)
		Cash & cash equivalents	3.6

This summary of investment portfolio may change due to the ongoing portfolio transactions of the Fund. Quarterly updates of the Fund's investment portfolio are available from the Manager at www.stoneco.com.

Prospectus and other information about the underlying investment Fund is available on the internet at www.sedar.com.

†Note: The Manager has done a look-through on Sector and Industry allocations for the Stone Fund that is held in the portfolio as an underlying investment Fund.

‡Note: Sectors and Industries representing less than 3% and 1% respectively of the portfolio are included in "Miscellaneous".

NOTES

NOTES

STONE GROWTH FUND

(formerly STONE & CO. FLAGSHIP STOCK FUND CANADA)

Interim Management Report of Fund Performance

June 30, 2018

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to: market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest and the risks detailed from time to time in the Fund's simplified prospectus. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the Fund does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.



STONE ASSET MANAGEMENT LIMITED

40 University Avenue, Suite 901 | Toronto, Ontario M5J 1T1 | T: 416 364 9188 or 800 336 9528
F: 416 364 8456 | info@stoneco.com | www.stoneco.com

