

## **STONE EUROPLUS FUND**

### **2019 Annual Management Report of Fund Performance**

For the period ended December 31, 2019



**Sleep well.**

This annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the 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](http://www.stoneco.com); or SEDAR at [www.sedar.com](http://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 EUROPLUS FUND

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

December 31, 2019

### INVESTMENT OBJECTIVES

The investment objective of the Stone Europlus Fund (the “Fund”) is two-fold: (i) to provide a sustainable stream of income; and (ii) to provide long-term capital growth. The Fund will invest primarily in equity securities of companies in Europe and other developed countries around the world. The Fund will generally have significant investment in European markets.

There is no restriction on the economic sectors or geographic areas in which the Fund may invest.

Effective January 1, 2020, the investment objectives of the Fund was amended to provide a total return by investing in a portfolio of global stocks which meet ethical and sustainability criteria. For additional information, please see “Recent Developments” as well as “Subsequent Events” in the Notes to the Financial Statements.

### INVESTMENT STRATEGIES

The Portfolio sub-advisor of the Fund will invest primarily in equity securities that provide an above-average dividend yield. The Portfolio sub-advisor invests in companies that have a strong competitive position, first-class management, and scope for cost savings and cash generation to support the dividend yield.

The Portfolio sub-advisor aims to invest in businesses that generate strong earnings, and in so doing, seeks to provide increasing distributions and capital appreciation.

### RISK

The overall long-term risk of the Fund is as described in the most recent simplified prospectus. As an unhedged European equity fund, currency and market risk are inherent. However, no specific changes occurred that have increased or decreased the Fund’s exposure to risk.

### RESULTS OF OPERATIONS

#### Market Overview and Impact on the Fund

The Morningstar® Developed Markets Europe Index (in Canadian dollar terms) returned 17.7% in 2019. Following a miserable end to 2018, European equity markets roared back in early 2019. Perversely, it was signs of weakening macroeconomic data and an accompanying pause in the US Federal Reserve’s interest rate hiking plans which led to the worldwide bounce in equity markets. This topsy-turvy way of thinking – weak economic fundamentals leading to increased central bank liquidity leading to rising asset prices – has become a defining characteristic of the current bull market. Whether central bankers will be able to reverse the trick, without causing asset prices to fall, is the key question as we enter the new decade.

Following a mid-year pause, markets pushed even higher into the year end. Renewed hopes of progress in the US/China trade talks, a clear result in the UK election (removing the parliamentary gridlock) and reasonable macroeconomic data all helped stimulate investor confidence.

The sub-advisors’ investment process, focused first and foremost on capital preservation, coupled with a belief that this decade-old bull market could be losing steam, led them to position the Fund cautiously throughout 2019. Unsurprisingly, therefore, the Fund failed to keep pace with a rapidly advancing market.

While the Fund’s Series total return was strong in absolute terms, the underperformance was nonetheless disappointing. Despite this, the sub-advisors still think it’s appropriate to remain cautious and that this stance will be rewarded over the fullness of the market cycle.

Early in the year, the rapid change in the market’s expectations on the future direction of interest rates impacted investor stock and sector preferences. In general, stocks exhibiting growth and quality characteristics outperformed those whose principal attraction was based on having a cheap valuation.

Over the year, many of the Fund’s key holdings performed very well. ASML Holding NV, a Dutch company that designs the machines that print computer chips, had a stellar year driven by further increases to its already very high market share. German ticketing and live events firm, CTS Eventim AG & Co KGaA, maintained its excellent growth momentum and its share price was duly rewarded.

Finally, Swiss pharmaceutical giants Roche Holding AG Genussscheine and Novartis AG outperformed as investor style preferences shifted towards businesses exhibiting defensive growth characteristics.

Despite the market strength, a number of the Fund’s holdings had a disappointing 2019. UK-based auto parts and bicycle retailer, Halfords Group PLC, had another year to forget as weak consumer confidence and unfavourable weather dampened demand for its products. The shares of Italian consumer goods firm De’Longhi SPA were weak as fierce competition hit its sales and profits.

Finally, the shares of business software consolidator Micro Focus International PLC remained volatile as a strong start to the year crumbled following a profit warning in August.

The sub-advisors made relatively few changes to the shape of the portfolio over the course of the year. Their principal trades included exiting positions in pharmaceuticals giant AstraZeneca PLC, Nordic bank Nordea Bank ABP and automotive supplier Stabilus SA; and initiating new holdings in Swedish locks supplier Assa Abloy AB, UK lender Lloyds Banking Group PLC and insurer Legal & General Group PLC.

Looking forward, the sub advisors continue to believe that high debt levels, expensive asset markets and unfavourable demographic trends in many developed and (some) developing markets have created fragile markets prone to shock. While it is clear that the sub-advisors’ cautious positioning held back relative performance last year, they don’t believe these risks have diminished.

Given that, their prudent, value-conscious approach leads them to maintain the fund’s cautious positioning heading into the new decade.

# STONE EUROPLUS FUND

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE (continued)

### Performance

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

Series					
A	B	F	L	O*	T8A
11.5%	10.8%	12.7%	10.8%	n/a	11.5%

\*Returns are not disclosed for series of the Fund that have been in existence for less than one year.

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

Please refer to "Past Performance" for details regarding the performance of all the series of the Fund. The calculation of the Fund's Series 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 benchmark, the Morningstar® Developed Markets Europe Index (in Canadian dollar terms), returned 17.7% over the same period.

### Change in Net asset value

Net Assets of the Fund decreased by 11.3% or \$2.6 million during the period, from \$23.0 million at December 31, 2018 to \$20.4 million at December 31, 2019. This change in Net Assets is attributed to net sales (redemptions) of (\$5.0) million and \$2.4 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

After a special meeting held in November 2019, the securityholders of Stone EuroPlus Fund approved changes to the Fund's fundamental investment objectives and the accompanying amendments including revising the performance benchmark to reflect the changes. The former performance benchmark no longer applies to the new fundamental investment objective and any performance deficit of the Fund against the former performance benchmark pursuant to the former fundamental investment objective shall be extinguished.

Effective January 1, 2020, the Fund was renamed to Stone Global Sustainability Fund whose mandate is to provide a total return by investing in a portfolio of global stocks which meet ethical and sustainability criteria. Consequently, the Fund's performance benchmark was also changed from The Morningstar® Developed Markets Europe Index to Morningstar® Global Markets Index.

The global economic outlook began to deteriorate in February as downside risks associated with the novel coronavirus (COVID-19) grew as the virus spread from Asia to Europe and North America. The initial concern was centred around supply chain disruptions as factory shutdowns in China would constrain manufacturing activity, but as the number of infected individuals worldwide continues to grow and quarantines become more frequent to stem the spread of the virus, it is hard to imagine a situation where demand is not also impacted.

This will almost certainly result in lower GDP growth in 2020 to the weakest growth since 2009. In addition to the supply and demand shocks to the economy highlighted earlier, including negative pressure on the travel and tourism industry, OPEC and Russia are battling weak global energy prices by engaging in a price war. The impact on profitability and sustainability of resource-weighted regions of Canada will be at risk, as will associated currencies such as the Loonie.

The bull market in equities has officially ended as future earnings growth is reduced and business and consumer confidence continue to wane on demand. Despite central bank policy rates cuts and aggressive stimulus, equity markets will struggle to find a bottom until the virus is under control and there is clarity on the long term economic ramifications.

### 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.

### 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.

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	O	T8A
Annual Fee (%)	2.00	2.50	0.98	2.50	-	2.00

# STONE EUROPLUS FUND

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE (continued)

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

<b>Series</b>	<b>A</b>	<b>B</b>	<b>F</b>	<b>L</b>	<b>O</b>	<b>T8A</b>
Dealer Compensation (%)	50	20	-	20	-	50
Investment and Fund Management (%)	50	80	100	80	-	50
<b>Total (%)</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>-</b>	<b>100</b>

### 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. 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 EUROPLUS FUND

## 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 SECURITY<sup>1</sup>

Series	As at	Net assets, beginning of period <sup>2</sup>	Increase (decrease) from operations <sup>2</sup> (All figures in \$)					Distributions <sup>2,3</sup>				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 <sup>2</sup>	Net investment income (excluding dividends)	Dividends	Capital gains	Return of capital		Total distributions <sup>3</sup>
	Dec 2019	<b>12.23</b>	0.49	(0.45)	1.20	0.15	<b>1.39</b>	-	-	-	-	-	<b>13.63</b>
	Dec 2018	<b>13.53</b>	0.42	(0.46)	0.87	(2.11)	<b>(1.28)</b>	-	-	-	-	-	<b>12.23</b>
	Dec 2017	<b>12.10</b>	0.40	(0.44)	0.14	1.28	<b>1.38</b>	-	-	-	-	-	<b>13.53</b>
	Dec 2016	<b>13.51</b>	0.39	(0.39)	(0.06)	(1.29)	<b>(1.35)</b>	-	-	-	-	-	<b>12.10</b>
<b>A</b>	Dec 2015	<b>11.47</b>	0.40	(0.43)	0.25	1.77	<b>1.99</b>	-	-	-	-	-	<b>13.51</b>
	Dec 2019	<b>11.55</b>	0.45	(0.49)	1.13	0.24	<b>1.33</b>	-	-	-	-	-	<b>12.80</b>
	Dec 2018	<b>12.85</b>	0.41	(0.51)	0.84	(1.99)	<b>(1.25)</b>	-	-	-	-	-	<b>11.55</b>
	Dec 2017	<b>11.56</b>	0.40	(0.49)	0.16	1.46	<b>1.53</b>	-	-	-	-	-	<b>12.85</b>
	Dec 2016	<b>12.99</b>	0.40	(0.46)	(0.05)	(1.35)	<b>(1.46)</b>	-	-	-	-	-	<b>11.56</b>
<b>B†</b>	Dec 2015	<b>11.10</b>	0.41	(0.50)	0.11	2.03	<b>2.05</b>	-	-	-	-	-	<b>12.99</b>
	Dec 2019	<b>13.65</b>	0.56	(0.35)	1.32	0.26	<b>1.79</b>	(0.03)	-	-	-	<b>(0.03)</b>	<b>15.35</b>
	Dec 2018	<b>14.94</b>	0.50	(0.37)	1.04	(2.38)	<b>(1.21)</b>	-	-	-	-	-	<b>13.65</b>
	Dec 2017	<b>13.18</b>	0.44	(0.28)	0.17	1.42	<b>1.75</b>	-	-	-	-	-	<b>14.94</b>
	Dec 2016	<b>14.57</b>	0.43	(0.29)	(0.07)	(1.64)	<b>(1.57)</b>	-	-	-	-	-	<b>13.18</b>
<b>F</b>	Dec 2015	<b>12.25</b>	0.42	(0.33)	0.31	1.71	<b>2.11</b>	-	-	-	-	-	<b>14.57</b>
	Dec 2019	<b>15.40</b>	0.65	(0.65)	1.47	0.27	<b>1.74</b>	-	-	-	-	-	<b>17.07</b>
	Dec 2018	<b>17.14</b>	0.56	(0.69)	1.17	(2.64)	<b>(1.60)</b>	-	-	-	-	-	<b>15.40</b>
	Dec 2017	<b>15.42</b>	0.52	(0.65)	0.14	1.71	<b>1.72</b>	-	-	-	-	-	<b>17.14</b>
	Dec 2016	<b>17.32</b>	0.52	(0.60)	(0.07)	(1.82)	<b>(1.97)</b>	-	-	-	-	-	<b>15.42</b>
<b>L</b>	Dec 2015	<b>14.78</b>	0.51	(0.64)	0.36	2.10	<b>2.33</b>	-	-	-	-	-	<b>17.32</b>
<b>O‡</b>	Dec 2019	<b>10.00</b>	-	-	-	-	-	-	-	-	-	-	<b>10.00</b>
	Dec 2019	<b>5.06</b>	0.21	(0.18)	0.49	0.05	<b>0.57</b>	-	-	-	(0.40)	<b>(0.40)</b>	<b>5.22</b>
	Dec 2018	<b>6.11</b>	0.24	(0.22)	0.48	(0.96)	<b>(0.46)</b>	-	-	-	(0.49)	<b>(0.49)</b>	<b>5.06</b>
	Dec 2017	<b>5.90</b>	0.18	(0.21)	0.05	0.46	<b>0.48</b>	-	-	-	(0.47)	<b>(0.47)</b>	<b>6.11</b>
	Dec 2016	<b>7.23</b>	0.20	(0.21)	(0.11)	(0.72)	<b>(0.84)</b>	-	-	-	(0.58)	<b>(0.58)</b>	<b>5.90</b>
<b>T8A</b>	Dec 2015	<b>6.61</b>	0.23	(0.24)	0.14	0.98	<b>1.11</b>	-	-	-	(0.53)	<b>(0.53)</b>	<b>7.23</b>

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

‡ Series O was seeded on August 1, 2019 at \$10.00.

#### Explanatory Notes:

1. This information is derived from the Fund's annual audited financial statements.
2. 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.
3. Distributions were paid in cash and/or reinvested in additional securities of the Fund.

# STONE EUROPLUS FUND

## FINANCIAL HIGHLIGHTS (continued)

### RATIOS AND SUPPLEMENTAL DATA

Series	As at	Total net asset value (\$000's) <sup>1</sup>	Number of securities outstanding <sup>1</sup>	Management expense ratio ("MER") (%) <sup>2</sup>	MER before waivers or absorptions (%) <sup>2</sup>	Trading expense ratio (%) <sup>3</sup>	Portfolio turnover rate (%) <sup>4</sup>	Net asset value per security (\$)
	Dec 2019	15,635	1,146,888	2.95	2.97	0.05	10	13.63
	Dec 2018	16,090	1,315,100	2.94	2.97	0.04	11	12.23
	Dec 2017	19,383	1,432,120	2.93	2.93	0.09	19	13.53
	Dec 2016	18,107	1,496,345	2.81	2.81	0.08	25	12.10
A	Dec 2015	19,040	1,409,591	2.90	2.90	0.12	13	13.51
	Dec 2019	181	14,152	3.52	3.53	0.05	10	12.80
	Dec 2018	181	15,642	3.56	3.58	0.04	11	11.55
	Dec 2017	256	19,889	3.55	3.55	0.09	19	12.85
	Dec 2016	310	26,799	3.46	3.46	0.08	25	11.56
B†	Dec 2015	450	34,616	3.52	3.52	0.12	13	12.99
	Dec 2019	2,419	157,642	1.88	1.89	0.05	10	15.35
	Dec 2018	3,024	221,567	1.93	1.95	0.04	11	13.65
	Dec 2017	5,361	358,730	1.56	1.56	0.09	19	14.94
	Dec 2016	4,692	355,951	1.79	1.79	0.08	25	13.18
F	Dec 2015	5,936	407,549	1.92	1.92	0.12	13	14.57
	Dec 2019	2,106	123,378	3.49	3.51	0.05	10	17.07
	Dec 2018	3,628	235,589	3.54	3.56	0.04	11	15.40
	Dec 2017	6,504	379,547	3.53	3.53	0.09	19	17.14
	Dec 2016	8,491	550,560	3.40	3.40	0.08	25	15.42
L	Dec 2015	10,861	627,059	3.38	3.38	0.12	13	17.32
O‡	Dec 2019	-	1	-	-	-	-	10.00
	Dec 2019	78	14,904	2.94	2.95	0.05	10	5.22
	Dec 2018	105	20,804	3.01	3.03	0.04	11	5.06
	Dec 2017	418	68,416	3.02	3.02	0.09	19	6.11
	Dec 2016	436	73,914	2.95	2.96	0.08	25	5.90
T8A	Dec 2015	345	47,734	2.86	2.86	0.12	13	7.23

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

‡ Series opened on August 1, 2019.

#### 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) for the stated period and is expressed as an annualized percentage of daily average NAV during the period. The MER excluding performance fee for the period ending December 31, 2015 was 1.81% - Series F.
- The trading expense ratio represents total commissions and other portfolio transaction costs 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 EUROPLUS FUND

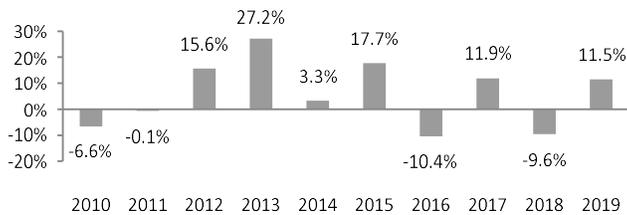
## PAST PERFORMANCE

### YEAR-BY-YEAR RETURNS

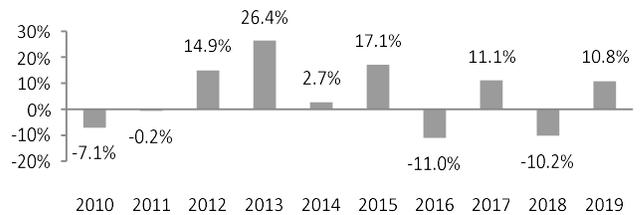
The performance information presented herein assumes all dividends of the Fund during the periods presented were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, or other charges that would have reduced returns or performance. 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. Returns are not disclosed for series of the Fund that have been in existence for less than one year.

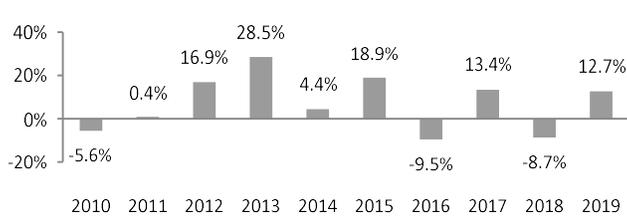
**Series A**



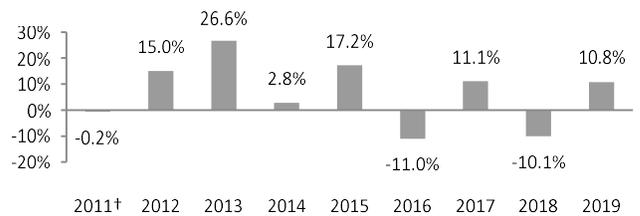
**Series B**



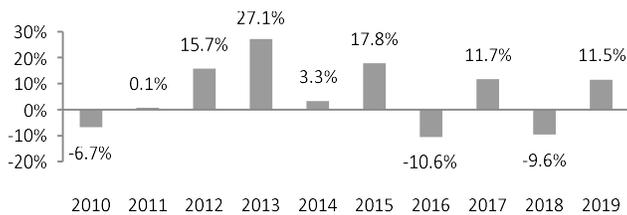
**Series F**



**Series L**



**Series T8A**



† From inception to December 31 of that year.

# STONE EUROPLUS FUND

## PAST PERFORMANCE (continued)

### ANNUAL COMPOUND RETURNS

The following table shows the annual compound returns for each series of the Fund compared to the benchmark, the Morningstar® Developed Markets Europe Index and is expressed in Canadian dollars. The Fund performance is net of management fees, administrative expenses ("MER") and portfolio transaction costs whereas the benchmark performance does not incorporate such costs.

The Morningstar® Developed Markets Europe Index<sup>SM</sup> is a rule-based, float market capitalization weighted index designed to cover 97% of the equity market capitalization of the Developed European markets.

	1 YEAR (%)	3 YEARS (%)	5 YEARS (%)	10 YEAR (%)	SINCE INCEPTION (%)	INCEPTION DATE
Series A	11.5	4.1	3.5	5.3	n/a	2008/05/02
Benchmark	19.0	9.5	8.6	8.6	n/a	2008/05/02
Series B	10.8	3.4	2.9	4.8	n/a	2008/05/02
Benchmark	19.0	9.5	8.6	8.6	n/a	2008/05/02
Series F	12.7	5.3	4.6	6.4	n/a	2008/05/02
Benchmark	19.0	9.5	8.6	8.6	n/a	2008/05/02
Series L	10.8	3.4	2.9	n/a	6.8	2011/09/01
Benchmark	19.0	9.5	8.6	n/a	11.6	2011/09/01
Series O*	n/a	n/a	n/a	n/a	n/a	2019/08/01
Benchmark	n/a	n/a	n/a	n/a	n/a	2019/08/01
Series T8A	11.5	4.0	3.5	5.3	n/a	2008/05/02
Benchmark	19.0	9.5	8.6	8.6	n/a	2008/05/02

A discussion of the Fund as compared to the Benchmark is found in "Results of Operations".

\*Series O has not been in existence for one year, therefore, performance data is not disclosed.

# STONE EUROPLUS FUND

## SUMMARY OF INVESTMENT PORTFOLIO

AS AT DECEMBER 31, 2019

TOP 25 HOLDINGS		PORTFOLIO COMPOSITION	
Name of Security	% of Total Net Asset Value	Sector Allocation (%)	
Cash & cash equivalents	5.4	Consumer Discretionary	16.2
GlaxoSmithKline PLC	4.8	Consumer Staples	17.2
Roche Holding AG Genussscheine	4.5	Financials	22.5
Big Yellow Group PLC	4.4	Health Care	13.5
Legal & General Group PLC	4.3	Industrials	5.3
Novartis AG, Registered	4.2	Technology	12.1
RELX PLC	4.2	Miscellaneous†	7.2
Sampo OYJ, Series 'A'	4.2	Other net assets (liabilities)	0.6
Anheuser-Busch InBev SA/NV	4.1	Cash & cash equivalents	5.4
Reckitt Benckiser Group PLC	4.1	<b>Industry Allocation (%)</b>	
Close Brothers Group PLC	4.0	Asset Management	2.8
Bunzl PLC	4.0	Banking	6.9
CTS Eventim AG & Co KGaA	4.0	Biotech & Pharma	13.5
Kinopolis	3.8	Chemicals	3.5
ASML Holding NV	3.8	Consumer Products	15.0
Assa Abloy AB, Class 'B'	3.7	Distributors - Discretionary	4.0
Unilever NV	3.7	Electrical Equipment	3.7
Christian Hansen Holdings AS	3.5	Home & Office Products	3.0
Rubis SCA	3.5	Insurance	8.5
Davide Campari - Milano SPA	3.1	Oil, Gas & Coal	3.5
De'Longhi SPA	3.0	Real Estate	4.4
Lloyds Banking Group PLC	2.9	Recreation Facilities & Services	7.8
Jupiter Fund Management PLC	2.8	Retail - Consumer Staples	2.2
Cerved Group SPA	2.5	Semiconductors	3.8
Koninklijke Ahold Delhaize NV	2.2	Technology Services	6.6
	<b>94.7</b>	Miscellaneous†	4.8
		Other net assets (liabilities)	0.6
		Cash & cash equivalents	5.4
		<b>Country Allocation (%)</b>	
		Belgium	7.9
		Denmark	3.5
		Finland	4.2
		France	3.5
		Germany	5.6
		Italy	8.5
		Netherlands	6.0
		Sweden	3.7
		Switzerland	8.8
		United Kingdom	42.3
		Other net assets (liabilities)	0.6
		Cash & cash equivalents	5.4

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](http://www.stoneco.com).

†Note: Sectors and Industries representing less than 5% and 2% respectively of the portfolio are included in "Miscellaneous".

## NOTES

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# STONE EUROPLUS FUND

## 2019 Annual Management Report of Fund Performance

For the period ended December 31, 2019

### 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.



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