



# **AlphaDelta Canadian Dividend Income Class**

2023 Annual Management  
Report of Fund Performance

# AlphaDelta Canadian Dividend Income Class

## 2023 Annual Management Report of Fund Performance

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This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of AlphaDelta Canadian Dividend Income Class (the “Fund”). You can get a copy of the financial statements at no cost in the following ways; by calling us at (604) 602-1142 or 1-866-602-1142; by writing to us at Qwest Investment Fund Management Ltd., Suite 702 – 1030 West Georgia Street Vancouver, BC V6E 2Y3; by e-mailing us at [info@qwestfunds.com](mailto:info@qwestfunds.com); by viewing the information on our website at [www.qwestfunds.com](http://www.qwestfunds.com); or by viewing the information on SEDAR at [www.sedar.com](http://www.sedar.com).

Securityholders may also contact us to request a copy of the Fund’s proxy voting policies and procedures, proxy voting disclosure records, or quarterly portfolio disclosures.

### Management Discussion of Fund Performance

#### Investment Objective and Strategies

The Fund seeks to provide investors with income and longer-term capital appreciation by investing primarily in dividend paying equity securities of Canadian and global companies.

The Fund will invest primarily in Canadian and global, dividend paying, equity securities (including securities of unit trusts, real estate investment trusts and depository receipts) and their derivatives, with the intent of providing its shareholders with a consistent annual distribution yield, growth in the absolute level of distributions per share through time and long-term appreciation of capital.

#### Risk

The Fund is suitable for investors seeking income and long-term capital appreciation with a tolerance for medium risk. General risks of an investment in the Fund are detailed in the simplified prospectus and include capital gains risk, concentration risk, market risk, currency risk, derivatives risk, foreign investment risk, class risk, interest rate risk, large transaction risk, among others.

There were no significant changes to the investment objectives and strategies that affected the Fund’s overall level of risk during the reporting year. The risks of investing in the Fund and the suitability of the Fund for particular investor’s remains as discussed in the simplified prospectus.

#### Results of Operations

The Fund commenced operations in August 2018. During the year ended December 31, 2023, the Fund issued 17,307 Series A shares, 5,460 Series F shares, 25,696 Series H shares and 175,687 Series I shares; during the year then ended December 31, 2023, the Fund redeemed 7,619 Series A shares, 3,210 Series F shares, 12,534 Series G shares, 3,428 Series H shares and 235,272 Series I shares; during the year then ended December 31, 2023, the Fund reinvested 2,203 Series A shares, 1,709 Series F shares, 2,049 Series G shares, 2,727 Series H shares and 15,921 Series I shares.

As at December 31, 2023, 52,220 Series A shares, 46,315 Series F shares, 42,213 Series G shares, 66,273 Series H shares and 694,674 Series I shares were outstanding. During the year ended December 31, 2023, the Fund realized gains of \$92,874 from the disposition of securities. For the year ended December 31, 2023 the Fund earned dividend income of \$595,343. Total expenses before expense reimbursement were \$277,603 comprised mainly of \$91,178 in shareholder recordkeeping and fund accounting fees, \$58,452 in management fee, \$33,882 in audit, \$20,396 in filing fees, \$20,267 in custodian fees and \$15,318 in foreign withholding taxes.

The net realized gain and unrealized appreciation of investments were \$92,874 and \$533,416 for the year ended December 31, 2023, respectively. The net realized gain and unrealized depreciation of investments were \$147,986 and \$660,105 for the year ended December 31, 2022, respectively.

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### Results of Operations (continued)

At December 31, 2023, net assets attributable to holders of redeemable shares for Series A was \$1,009,271 or \$19.33 per share, for Series F shares was \$ 926,982 or \$20.01 per share, for Series G shares was \$854,320 or \$20.24 per share, for Series H shares was \$1,296,051 or \$ 19.56 per share and for Series I was \$ 9,304,315 or \$ 13.39 per share.

### Recent Developments

The Fund seeks investments in companies that are capable of and committed to generating income for their shareholders. The Fund also emphasizes companies that have delivered a growing stream of income, as it suggests sensible cash flow management and an alignment of interests between corporate Boards and the owners of the company. Over time, the sub-advisor believes this investment profile can earn attractive risk-adjusted returns for unitholders.

Early gains got the summer off to a positive start, however, unfortunately, another chapter of political gridlock in the U.S. risked a government shutdown and added to market volatility. Buyers retreated to the sidelines as geopolitical concerns and whether economies would fall into recession weighed on equity values.

After seeming to stabilize, inflation edged higher in early Fall and interest rates rose. The U.S. dollar appreciated, as the upward bias to interest rates combined with the risk-averse investing environment put a bid under the currency. Longer term, the sub-advisor sees further support for the US\$ on account of its well-diversified economy and the observation that Canadian productivity continues to trail that of the U.S. Importantly, recent laws including the CHIPS and Science Act, or the Infrastructure Investment & Jobs Act are designed to prioritize American-made solutions and may drive more investment in that market at the margin.

While high rates and modest corporate earnings growth pressured all share valuations, yield-oriented equities fared worse, as if in capitulation mode, despite solid operations and uninterrupted dividend payments. On most valuation measures, yield-oriented equities had corrected to very inexpensive levels, yet overwhelming risk aversion and the various factors affecting sentiment kept share prices depressed. In their work, the sub-advisor emphasizes growth potential, in addition to a security's financial strength and yield characteristics. Share price declines were disappointing, however, the sub-advisor was confident that dividend yields could support share prices and provide a source of return during weak capital markets. In addition, dividend growth is generally able to offset some inflation risk and help maintain purchasing power over time.

To take advantage of that period of market pessimism, the sub-advisor added CVS Health, Gilead and Medtronic. The defensive Health Care sector had lagged its more economically sensitive counterparts, offering an opportunity to add to certain positions at very attractive valuations. Gilead was lower despite reporting better than expected operational results. In addition to its leadership in HIV and liver disease, accelerating momentum in its oncology business should drive growth going forward. A full development pipeline, including over 20 Phase III trials underway, could also contribute to long-term growth.

In CVS Health's case, a pair of acquisitions and the associated increase in debt leverage caused sentiment to sour. The sub-advisor expects the acquisitions will strengthen CVS' position as a full-service health provider with capabilities extending well beyond its traditional pharmacy outlets to primary care, mobile diagnostics and health benefits management.

Market excitement surrounding the new class of drugs used to manage diabetes and weight loss caused a sell-off in medical technology stocks like Medtronic and Johnson & Johnson. The opportunity for GLP-1 drugs to help manage obesity is meaningful, however, the sub-advisor anticipates they will complement, not replace, cardiac surgeries or diabetes monitoring systems. The sub-advisor added Medtronic, trading at a significant discount to their assessment of what the business is worth. It is building momentum post-COVID, and its product development initiatives are yielding upward earnings revisions.

A new position was established in Jamieson Wellness, the Canadian market share leader in vitamins and health supplements. Its valuation had previously been considered unattractive – a good example where a high-quality business did not necessarily equate to a high-quality investment. Through 2023, its valuation corrected on delayed new product

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### Recent Developments (continued)

launches, acquisition-related expenses and lower year-over-year profitability, owing to those acquisitions. In the sub-advisor's view, Jamieson has leverage to favorable health and wellness trends in Canada and internationally. The sub-advisor also anticipates that progress with respect to margin gains and debt reduction will be well-received by investors.

A welcome reversal in tone drove equity benchmarks higher in the second half of the reporting period. After peaking at 4.98% in October, the 10-year Treasury yield dropped and ended the year at 3.88%. Canadian yields followed a similar path, reaching 4.26%, falling to 3.10%. December marked the third consecutive meeting where North American central banks left policy rates unchanged and dovish commentary about rate direction was also viewed favorably.

As year-end approached, consensus began to discount that a recession could be avoided and that policy rates would begin to fall by mid-year 2024. Enthusiasm around the end of the rate hike cycle drove the S&P/TSX Composite Index up 5.7% in the second half of 2023, recovering from a 2.2% loss through to the end of September. Although decent on an absolute basis, domestic equities continued to lag the S&P 500 Index, which was up 7.4% in Canadian dollars in the second half of the year.

Ahead of the market rally, the sub-advisor added to Healthcare Realty Trust. Despite recovering from its lows, the sub-advisor is confident that further gains are possible. REITs have benefited from moderating interest rates, however, high funding costs remain a challenge for entities that rely on external financing to fuel growth. This may limit new supply in the intermediate term and boost net operating income growth for existing properties. The sub-advisor continues to monitor the real estate sector for opportunities, recognizing attractive yields and the potential for further capital appreciation as interest rates fall.

The Fund benefited from positive security selection and sector allocation during the reporting period. Lack of exposure to the weak integrated energy producers preserved value, notable as the securities are popular among dividend investors. Low oil and gas prices also pressured Canadian Natural Resources and Tourmaline, although in both cases, industry-leading cost profiles allowed for higher dividends to be declared. Parkland was one of the few gainers in the sector. Its shares have responded to margin expansion through the year, as well as an improving free cash flow profile. To be prudent, the sub-advisor took profits, yet it remains a core holding at this time.

Bird Construction was another top performer, returning 85% over the course of 2023. Benefiting from a series of contract wins and efforts to improve margins, it announced a 30% dividend increase in December. Bird is an excellent example of the sub-advisor's bottom-up research work to identify smaller, less well-known investments. With a market capitalization below \$800 million, its business exposures and earnings drivers differ materially from better-known investments in the Industrials sector such as the large cap railways, enhancing Fund diversification and total return potential.

Numerous factors have affected markets in recent periods, and most can be traced back to COVID. The immediate post-pandemic challenge faced by corporations was in how supply chains stopped functioning efficiently. That was replaced by inflation and soon after, companies were tested on how they would fare in a high interest rate environment. At present, most supply chains appear more reliable, and inflation has moderated. As noted above, rates may fall later in 2024. A trend the sub-advisor is monitoring is companies considering relocating manufacturing and sourcing of key inputs closer to home in North America, consistent with the U.S. bills referenced above. Near-shoring is thought to improve supply chain stability and product security yet profit margins could decline as operating costs may be higher than in established manufacturing regions elsewhere in the world.

The sub-advisor is enthusiastic about the Fund's prospects for 2024. While acknowledging the solid absolute performance through the reporting period, they note that interest in the dividend-oriented investment style still trails other styles and that valuations remain attractive. Yield-oriented equities are well-positioned for a likely scenario where economic activity fades, causing investors to reevaluate their lofty expectations for growth equities. The Fund invests in defensive businesses generating profits over a full operating cycle, importantly, possessing the confidence to pay and raise dividends over time. Those attributes have been less popular than the promise of growth, which presents the opportunity for valuation expansion and relative outperformance going forward.

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#### **Related Party Transactions**

Pursuant to the amended and restated master management agreement, the Manager is entitled to an annual management fee of 1.70% of the net asset value of Series A shares, 0.70% of the net asset value of Series F shares, 0.35% of the net asset value of Series G shares and 1.35% of the net asset value of Series H shares of the Fund, calculated daily and payable monthly in arrears. For the year ended December 31, 2023, the Fund incurred \$58,452 in management fees of which \$4,658 was payable at December 31, 2023.

In order for the fund to maintain a competitive position with other mutual funds with respect to operating expenses charged to the fund, AlphaDelta Management Corp. (“AlphaDelta”), an affiliate of Qwest Investment Fund Management Ltd. (the “Manager”), has agreed at its discretion to pay for some of the operating expenses of the Fund. AlphaDelta has absorbed a total of \$76,299 of the operating expenses of the fund for the year ended December 31, 2023.

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### Financial Highlights

The following tables show selected key financial information about Series A and are intended to help you understand the financial performance of Series A for the years ended December 31, 2023, 2022, 2021, 2020 and 2019.

#### Net Assets per mutual fund share <sup>(1)</sup>

Net Assets attributable to holders of redeemable shares per Series A	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
<b>Initial NAV</b>	<b>\$18.93</b>	<b>\$20.06</b>	<b>\$18.01</b>	<b>\$15.16</b>	<b>\$13.02</b>
<b>(Decrease) increase from operations:</b>					
Total revenue	0.84	0.74	0.77	0.47	0.61
Total expenses	(0.55)	(0.58)	(0.65)	(1.36)	(0.36)
Realized (losses) gains	0.15	0.24	0.06	(2.70)	0.32
Unrealized (losses) gains	0.59	(0.80)	1.87	2.26	2.16
<b>Total (decrease) increase from operations <sup>(2)</sup></b>	<b>1.03</b>	<b>(0.40)</b>	<b>2.05</b>	<b>(1.33)</b>	<b>2.73</b>
<b>Distributions:</b>					
From dividends and return of capital	(0.83)	(0.73)	(0.76)	(0.45)	(0.61)
From capital gains	-	-	-	-	-
<b>Total distributions</b>	<b>(0.83)</b>	<b>(0.73)</b>	<b>(0.76)</b>	<b>(0.45)</b>	<b>(0.61)</b>
<b>Net assets attributable to holders of redeemable shares at end of year</b>	<b>19.33</b>	<b>18.93</b>	<b>20.06</b>	<b>18.01</b>	<b>15.16</b>

<sup>(1)</sup> This information is derived from the Fund's December 31, 2023, 2022, 2021, 2020 and 2019 annual audited financial statements.

<sup>(2)</sup> Net assets attributable to holders of redeemable shares and distributions are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial year.

#### Ratios and Supplemental Data

Series A	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Total net asset value (000's)	\$1,009	\$763	\$774	\$1	\$4
Number of mutual fund shares outstanding	52,220	40,329	38,571	70	281
Management expense ratio <sup>(1)</sup>	2.91%	2.86%	3.30%	11.78%	2.45%
Management expense ratio before absorption <sup>(1)</sup>	3.48%	3.93%	5.24%	12.69%	7.50%
Portfolio turnover rate <sup>(2)</sup>	23.66%	5.86%	6.63%	81.08%	38.31%
Trading expense ratio <sup>(3)</sup>	0.03%	0.06%	0.12%	0.13%	0.05%
Net asset value per share	\$19.33	\$18.93	\$20.06	\$18.01	\$15.16

<sup>(1)</sup> Management expense ratio ("MER") is based on total expenses less commissions for the stated year and is expressed as an annualized percentage of daily average net assets during the year. AlphaDelta may, at its discretion and without notice to shareholders, waive or absorb operating expenses. MER includes the waiver or absorption by AlphaDelta of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by AlphaDelta.

<sup>(2)</sup> The portfolio turnover rate indicates how actively the Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all the securities in its portfolio once in the course of the year. The higher a portfolio turnover rate is 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 gain in the year. There is not necessarily a relationship between turnover rate and the performance of a portfolio.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as a percentage of average net assets during the year.

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### Financial Highlights

The following tables show selected key financial information about Series F and are intended to help you understand the financial performance of Series F for the years ended December 31, 2023, 2022, 2021, 2020 and 2019.

#### Net Assets per mutual fund share <sup>(1)</sup>

Net Assets attributable to holders of redeemable shares per Series F	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
<b>Initial NAV</b>	<b>\$19.37</b>	<b>\$20.29</b>	<b>\$18.01</b>	<b>\$15.40</b>	<b>\$13.09</b>
<b>(Decrease) increase from operations:</b>					
Total revenue	0.86	0.74	0.77	0.47	0.61
Total expenses	(0.34)	(0.34)	(0.46)	(0.95)	(0.20)
Realized (losses) gains	0.14	0.23	0.03	(2.24)	0.30
Unrealized (losses) gains	0.85	(0.68)	1.89	(2.79)	2.24
<b>Total (decrease) increase from operations <sup>(2)</sup></b>	<b>1.51</b>	<b>(0.05)</b>	<b>2.23</b>	<b>(5.51)</b>	<b>2.95</b>
<b>Distributions:</b>					
From dividends and return of capital	(0.85)	(0.73)	(0.77)	(0.44)	(0.61)
From capital gains	-	-	-	-	-
<b>Total distributions</b>	<b>(0.85)</b>	<b>(0.73)</b>	<b>(0.77)</b>	<b>(0.44)</b>	<b>(0.61)</b>
<b>Net assets attributable to holders of redeemable shares at end of year</b>	<b>20.01</b>	<b>19.37</b>	<b>20.29</b>	<b>18.01</b>	<b>15.40</b>

<sup>(1)</sup> This information is derived from the Fund's December 31, 2023, 2022, 2021, 2020 and 2019 annual audited financial statements.

<sup>(2)</sup> Net assets attributable to holders of redeemable shares and distributions are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial year.

#### Ratios and Supplemental Data

Series F	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Total net asset value (000's)	\$927	\$820	\$945	\$1	\$92
Number of mutual fund shares outstanding	46,315	42,356	46,594	70	6,000
Management expense ratio <sup>(1)</sup>	1.73%	1.69%	2.30%	7.61%	1.33%
Management expense ratio before absorption <sup>(1)</sup>	2.30%	2.77%	4.16%	9.51%	6.33%
Portfolio turnover rate <sup>(2)</sup>	23.66%	5.86%	6.63%	81.08%	38.31%
Trading expense ratio <sup>(3)</sup>	0.03%	0.06%	0.12%	0.13%	0.05%
Net asset value per share	\$20.01	\$19.37	\$20.29	\$18.01	\$15.40

<sup>(1)</sup> Management expense ratio ("MER") is based on total expenses less commissions for the stated year and is expressed as an annualized percentage of daily average net assets during the year. AlphaDelta may, at its discretion and without notice to shareholders, waive or absorb operating expenses. MER includes the waiver or absorption by AlphaDelta of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by AlphaDelta.

<sup>(2)</sup> The portfolio turnover rate indicates how actively the Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all the securities in its portfolio once in the course of the year. The higher a portfolio turnover rate is 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 gain in the year. There is not necessarily a relationship between turnover rate and the performance of a portfolio.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as a percentage of average net assets during the year.

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### Financial Highlights

The following tables show selected key financial information about Series G and are intended to help you understand the financial performance of Series G for the years ended December 31, 2023, 2022, 2021, 2020 and 2019.

#### Net Assets per mutual fund share <sup>(1)</sup>

Net Assets attributable to holders of redeemable shares per Series G	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
<b>Initial NAV</b>	<b>\$19.52</b>	<b>\$20.37</b>	<b>\$18.01</b>	<b>\$15.47</b>	<b>\$13.08</b>
<b>(Decrease) increase from operations:</b>					
Total revenue	0.85	0.88	0.77	0.45	0.61
Total expenses	(0.27)	(0.23)	(0.35)	(0.91)	(0.14)
Realized (losses) gains	0.13	0.29	0.11	(1.53)	0.32
Unrealized (losses) gains	0.71	(1.77)	2.27	(2.00)	2.26
<b>Total (decrease) increase from operations <sup>(2)</sup></b>	<b>1.42</b>	<b>(0.83)</b>	<b>2.80</b>	<b>(3.99)</b>	<b>3.05</b>
<b>Distributions:</b>					
From dividends and return of capital	(0.84)	(0.92)	(0.77)	(0.44)	(0.61)
From capital gains	-	-	-	-	-
<b>Total distributions</b>	<b>(0.84)</b>	<b>(0.92)</b>	<b>(0.77)</b>	<b>(0.44)</b>	<b>(0.61)</b>
<b>Net assets attributable to holders of redeemable shares at end of year</b>	<b>20.24</b>	<b>19.52</b>	<b>20.37</b>	<b>18.01</b>	<b>15.47</b>

<sup>(1)</sup> This information is derived from the Fund's December 31, 2023, 2022, 2021, 2020 and 2019 annual audited financial statements.

<sup>(2)</sup> Net assets attributable to holders of redeemable shares and distributions are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial year.

#### Ratios and Supplemental Data

Series G	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Total net asset value (000's)	\$854	\$1,029	\$34	\$1	\$700
Number of mutual fund shares outstanding	42,213	52,698	1,647	70	45,257
Management expense ratio <sup>(1)</sup>	1.38%	1.18%	1.77%	7.47%	0.93%
Management expense ratio before absorption <sup>(1)</sup>	1.93%	1.88%	3.77%	9.14%	5.98%
Portfolio turnover rate <sup>(2)</sup>	23.66%	5.86%	6.63%	81.08%	38.31%
Trading expense ratio <sup>(3)</sup>	0.03%	0.06%	0.12%	0.13%	0.05%
Net asset value per share	\$20.24	\$19.52	\$20.37	\$18.01	\$15.47

<sup>(1)</sup> Management expense ratio ("MER") is based on total expenses less commissions for the stated year and is expressed as an annualized percentage of daily average net assets during the year. AlphaDelta may, at its discretion and without notice to shareholders, waive or absorb operating expenses. MER includes the waiver or absorption by AlphaDelta of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by AlphaDelta.

<sup>(2)</sup> The portfolio turnover rate indicates how actively the Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all the securities in its portfolio once in the course of the year. The higher a portfolio turnover rate is 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 gain in the year. There is not necessarily a relationship between turnover rate and the performance of a portfolio.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as a percentage of average net assets during the year.



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### Financial Highlights

The following tables show selected key financial information about Series H and are intended to help you understand the financial performance of Series H for the years ended December 31, 2023, 2022, 2021, 2020 and 2019.

#### Net Assets per mutual fund share <sup>(1)</sup>

Net Assets attributable to holders of redeemable shares per Series H	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
<b>Initial NAV</b>	<b>\$19.07</b>	<b>\$20.14</b>	<b>\$18.01</b>	<b>\$15.24</b>	<b>\$13.04</b>
<b>(Decrease) increase from operations:</b>					
Total revenue	0.86	0.74	0.79	0.45	0.58
Total expenses	(0.48)	(0.50)	(0.57)	(0.80)	(0.30)
Realized (losses) gains	0.17	0.24	0.05	(2.02)	0.28
Unrealized (losses) gains	0.55	(0.89)	1.86	(5.25)	2.95
<b>Total (decrease) increase from operations <sup>(2)</sup></b>	<b>1.10</b>	<b>(0.41)</b>	<b>2.13</b>	<b>(7.62)</b>	<b>3.51</b>
<b>Distributions:</b>					
From dividends and return of capital	(0.85)	(0.73)	(0.78)	(0.37)	(0.57)
From capital gains	-	-	-	-	-
<b>Total distributions</b>	<b>(0.85)</b>	<b>(0.73)</b>	<b>(0.78)</b>	<b>(0.37)</b>	<b>(0.57)</b>
<b>Net assets attributable to holders of redeemable shares at end of year</b>	<b>19.56</b>	<b>19.07</b>	<b>20.14</b>	<b>18.01</b>	<b>15.24</b>

<sup>(1)</sup> This information is derived from the Fund's December 31, 2023, 2022, 2021, 2020, and 2019 annual audited financial statements.

<sup>(2)</sup> Net assets attributable to holders of redeemable shares and distributions are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial year.

#### Ratios and Supplemental Data

Series H	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Total net asset value (000's)	\$1,296	\$787	\$793	\$1	\$11
Number of mutual fund shares outstanding	66,273	41,278	39,381	70	714
Management expense ratio <sup>(1)</sup>	2.51%	2.47%	2.87%	6.13%	2.08%
Management expense ratio before absorption <sup>(1)</sup>	3.09%	3.52%	4.83%	8.66%	7.01%
Portfolio turnover rate <sup>(2)</sup>	23.66%	5.86%	6.63%	81.08%	38.31%
Trading expense ratio <sup>(3)</sup>	0.03%	0.06%	0.12%	0.13%	0.05%
Net asset value per share	\$19.56	\$19.07	\$20.14	\$18.01	\$15.24

<sup>(1)</sup> Management expense ratio ("MER") is based on total expenses less commissions for the stated year and is expressed as an annualized percentage of daily average net assets during the year. AlphaDelta may, at its discretion and without notice to shareholders, waive or absorb operating expenses. MER includes the waiver or absorption by AlphaDelta of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by AlphaDelta.

<sup>(2)</sup> The portfolio turnover rate indicates how actively the Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all the securities in its portfolio once in the course of the year. The higher a portfolio turnover rate is 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 gain in the year. There is not necessarily a relationship between turnover rate and the performance of a portfolio.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as a percentage of average net assets during the year.

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### Financial Highlights

The following tables show selected key financial information about Series I and are intended to help you understand the financial performance of Series I for the years ended December 31, 2023, 2022, 2021, 2020 and 2019.

#### Net Assets per mutual fund share <sup>(1)</sup>

Net Assets attributable to holders of redeemable shares per Series I	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
<b>Initial NAV</b>	<b>\$12.86</b>	<b>\$13.37</b>	<b>\$11.78</b>	<b>\$15.55</b>	<b>\$13.10</b>
<b>(Decrease) increase from operations:</b>					
Total revenue	0.57	0.51	0.52	0.56	0.62
Total expenses	(0.13)	(0.12)	(0.37)	(1.48)	(0.08)
Realized (losses) gains	0.09	0.17	0.08	(2.57)	0.32
Unrealized (losses) gains	0.54	(0.92)	1.58	(0.02)	2.18
<b>Total (decrease) increase from operations <sup>(2)</sup></b>	<b>1.07</b>	<b>(0.36)</b>	<b>1.81</b>	<b>(3.51)</b>	<b>3.04</b>
<b>Distributions:</b>					
From dividends and return of capital	(0.56)	(0.52)	(0.52)	(0.59)	(0.62)
From capital gains	-	-	-	-	-
<b>Total distributions</b>	<b>(0.56)</b>	<b>(0.52)</b>	<b>(0.52)</b>	<b>(0.59)</b>	<b>(0.62)</b>
<b>Net assets attributable to holders of redeemable shares at end of year</b>	<b>13.39</b>	<b>12.86</b>	<b>13.37</b>	<b>11.78</b>	<b>15.55</b>

<sup>(1)</sup> This information is derived from the Fund's December 31, 2023, 2022, 2021, 2020 and 2019 annual audited financial statements.

<sup>(2)</sup> Net assets attributable to holders of redeemable shares and distributions are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial year.

#### Ratios and Supplemental Data

Series I	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Total net asset value (000's)	\$9,304	\$9,499	\$4,229	\$720	\$856
Number of mutual fund shares outstanding	694,674	738,338	316,201	61,175	55,040
Management expense ratio <sup>(1)</sup>	0.99%	0.93%	2.86%	12.16%	0.53%
Management expense ratio before absorption <sup>(1)</sup>	1.54%	1.90%	4.60%	13.80%	5.59%
Portfolio turnover rate <sup>(2)</sup>	23.66%	5.86%	6.63%	81.08%	38.31%
Trading expense ratio <sup>(3)</sup>	0.03%	0.06%	0.12%	0.13%	0.05%
Net asset value per share	\$13.39	\$12.86	\$13.37	\$11.78	\$15.55

<sup>(1)</sup> Management expense ratio ("MER") is based on total expenses less commissions for the stated year and is expressed as an annualized percentage of daily average net assets during the year. AlphaDelta may, at its discretion and without notice to shareholders, waive or absorb operating expenses. MER includes the waiver or absorption by AlphaDelta of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by AlphaDelta.

<sup>(2)</sup> The portfolio turnover rate indicates how actively the Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all the securities in its portfolio once in the course of the year. The higher a portfolio turnover rate is 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 gain in the year. There is not necessarily a relationship between turnover rate and the performance of a portfolio.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as a percentage of average net assets during the year.

# AlphaDelta Canadian Dividend Income Class

## 2023 Annual Management Report of Fund Performance

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### Management Fees

The Manager provides administration and portfolio advisory services to the Fund.

Management fees paid by each series of the Fund are calculated up to the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	<b>Management Fees</b>	<b>Breakdown of Services</b>	
		<b>Distribution</b>	<b>Other*</b>
Series A	1.70%	59%	41%
Series F	0.70%	-	100%
Series G	0.35%	-	100%
Series H	1.35%	74%	26%
Series I <sup>(1)</sup>			

\*Includes all costs related to management, investment advisory services, general administration and profit.

<sup>(1)</sup> Series I management fees are negotiated and by the investor and paid directly to the Manager

See also “Related Party Transactions” with respect to management fees payable to the Manager in accordance with the master management agreement.

# AlphaDelta Canadian Dividend Income Class

## 2023 Annual Management Report of Fund Performance

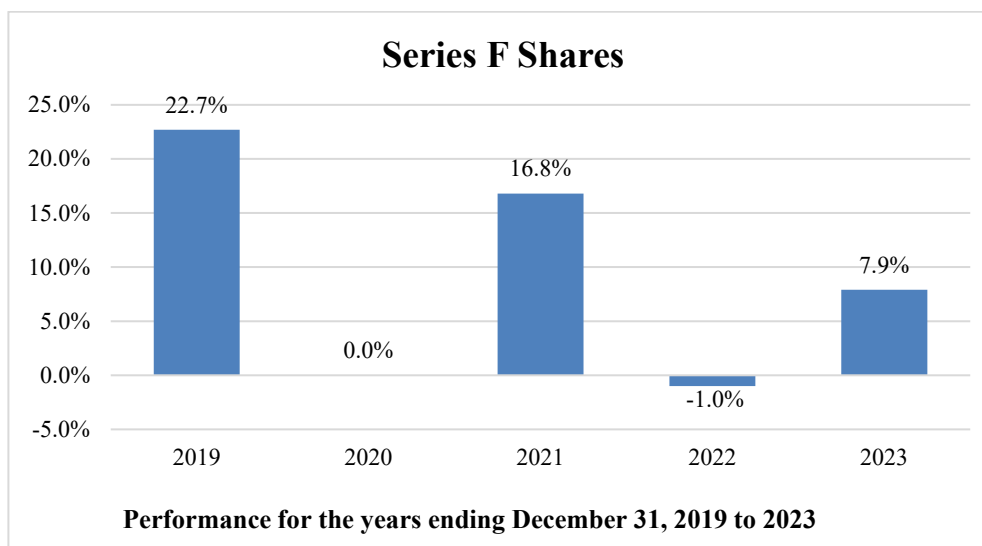
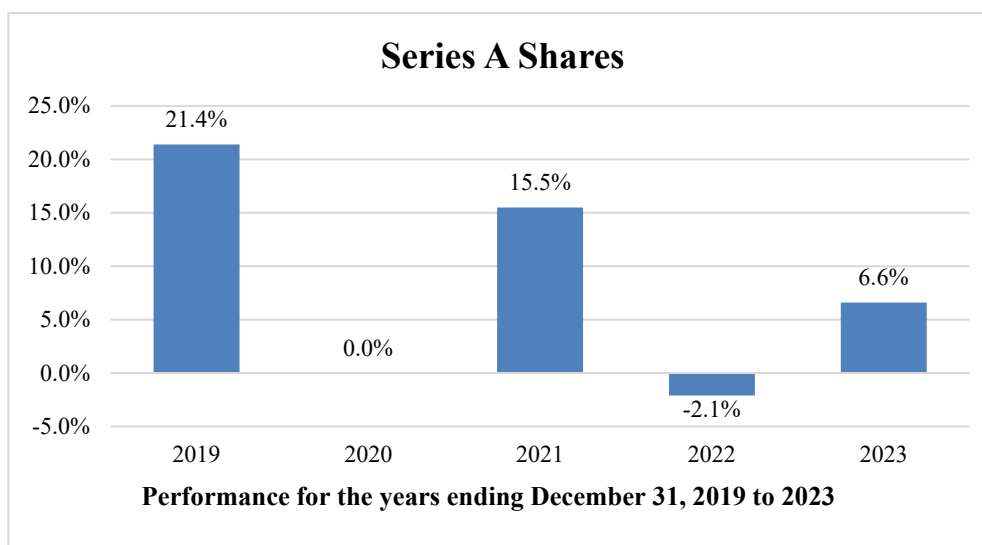
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### Past Performance

The performance information shown assumes that all distributions made by the Fund were reinvested in additional securities of the investment portfolio. The performance information below does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance of the investment portfolio does not necessarily indicate its future performance.

### Year-by-Year Returns

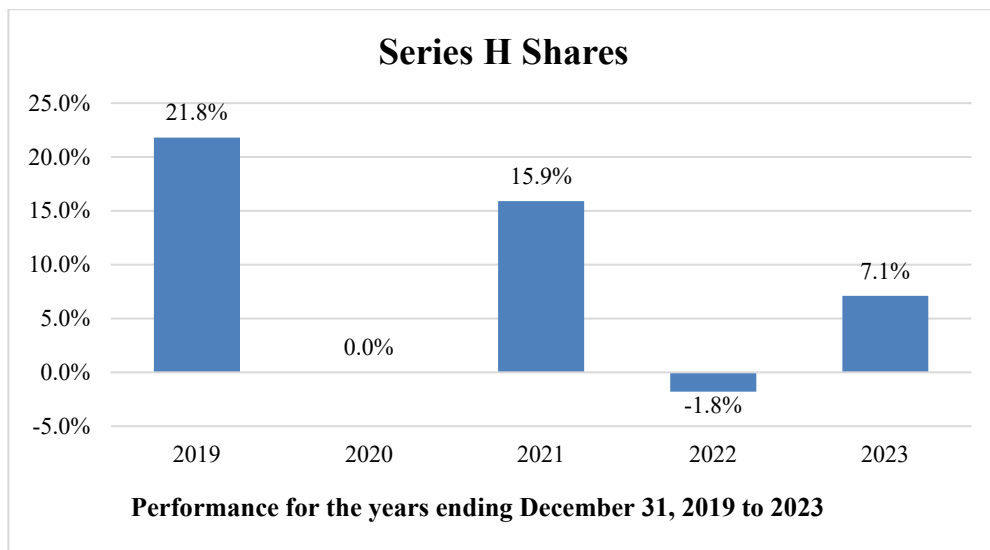
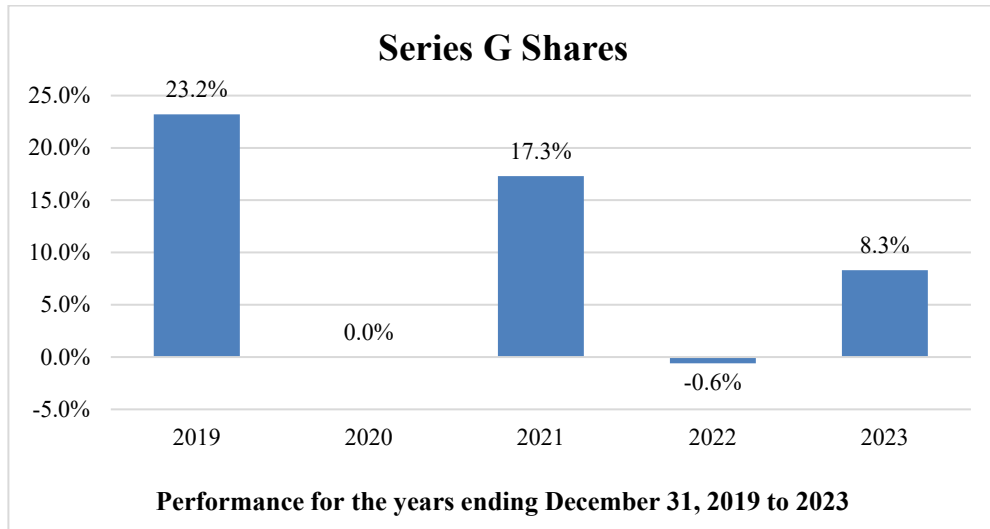
The charts show the performance of the investment portfolio for the years shown and illustrates how the investment portfolio's performance has changed from year to year. The charts show, in percentage terms, how an investment made on the first day of each financial year would have grown or decreased by December 31 of that year.



# AlphaDelta Canadian Dividend Income Class

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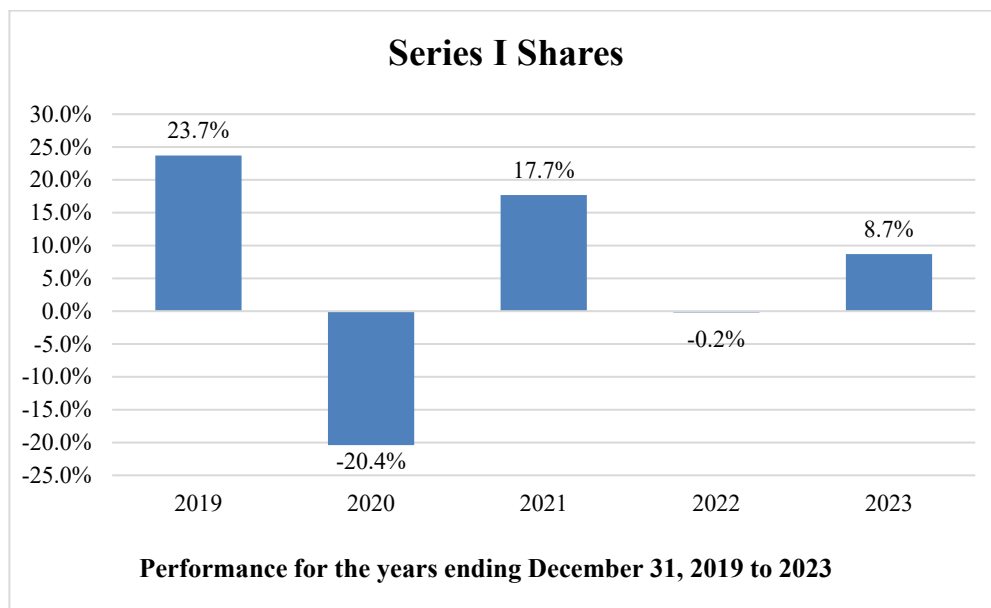
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# AlphaDelta Canadian Dividend Income Class

## 2023 Annual Management Report of Fund Performance

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## AlphaDelta Canadian Dividend Income Class

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#### Annual Compound Returns

The table below compares the investment portfolio's compound return to the S&P 500 and S&P/TSX Composite Index for the same time period.

	<b>One-year</b>	<b>Since Inception</b>
AlphaDelta Canadian Dividend Income Class – Series A	6.6%	6.4%
AlphaDelta Canadian Dividend Income Class – Series F	7.9%	7.7%
AlphaDelta Canadian Dividend Income Class – Series G	8.3%	8.1%
AlphaDelta Canadian Dividend Income Class – Series H	7.1%	6.8%
AlphaDelta Canadian Dividend Income Class – Series I	8.7%	8.5%
S&P 500 Index	26.3%	-
S&P/TSX Composite Index	11.8%	-

The S&P 500 Index is a broad-based securities market index that statistically measures the state of the stock market based on the performance of 500 most widely held stocks listed on the New York Stock Exchange. The performance of the index is typically viewed as the indicator of US equities and a reflection of the performance of the large-cap companies.

The S&P/TSX Composite Index is a broad-based securities market index that statistically measures the state of the stock market based on the performance of certain stocks listed on the Toronto Stock Exchange. The performance of the index is typically viewed as a broad indicator of the direction of the economy.

## AlphaDelta Canadian Dividend Income Class

### 2023 Annual Management Report of Fund Performance

#### Summary of Investment Portfolio

As at December 31, 2023, the net assets attributable to holders of redeemable shares of the Fund was \$ 13,390,939. Below is a breakdown of the investment portfolio as at December 31, 2023, by sector and as a percentage of the aggregate net asset value of the top 25 securities in the investment portfolio:

<b>Top Holdings</b>	<b>% of Net Assets</b>	<b>Sector/Subgroup</b>	<b>% of Net Assets</b>
Brookfield Infrastructure Partners LP	5.71	Financial	22.21
Canadian Imperial Bank of Commerce	4.38	Energy	18.61
Bird Construction Inc.	4.09	Industrial	18.25
Enbridge Inc.	3.92	Consumer, Non-cyclical	11.12
Royal Bank of Canada	3.70	Utilities	10.23
Power Corp of Canada	3.54	Basic Materials	6.15
The Bank of Nova Scotia	3.23	Communications	4.85
Canadian Natural Resources Ltd.	2.98	Consumer, Cyclical	4.74
TELUS Corp.	2.96	Other Net Assets (Liabilities)	1.94
TC Energy Corp.	2.94	Technology	0.98
Parkland Corp.	2.81	Cash	0.92
Brookfield Renewable Partners LP	2.73		
Mullen Group Ltd.	2.68		100.0
Chartwell Retirement Residences	2.67		
Exchange Income Corp.	2.53		
Lockheed Martin Corp.	2.46		
Nutrien Ltd.	2.29		
Intact Financial Corp.	2.28		
Westshore Terminals Investment Corp.	2.21		
Gibson Energy Inc.	2.18		
Johnson & Johnson	2.16		
Fortis Inc.	1.79		
Tourmaline Oil Corp.	1.78		
The North West Co Inc.	1.76		
Huntington Ingalls Industries Inc.	1.66		

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available at [www.qwestfunds.com](http://www.qwestfunds.com).



## **AlphaDelta Canadian Dividend Income Class**

### **2023 Annual Management Report of Fund Performance**

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#### **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 in 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, management of the Fund does not undertake, and specifically disclaims any intention or obligation to update or revise any forward-looking statements, future events or otherwise, unless required by applicable law.