

# CST Spark Education Portfolios

CST Spark Graduation Portfolio  
CST Spark 2026 Education Portfolio  
CST Spark 2029 Education Portfolio  
CST Spark 2032 Education Portfolio  
CST Spark 2035 Education Portfolio  
CST Spark 2038 Education Portfolio  
CST Spark 2041 Education Portfolio

Unaudited Semi-Annual Financial Statements

April 30, 2022



# CST Spark Education Portfolios

## Contents

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Management's Responsibility for Financial Reporting	1
CST Spark Graduation Portfolio	2
CST Spark 2026 Education Portfolio	13
CST Spark 2029 Education Portfolio	24
CST Spark 2032 Education Portfolio	35
CST Spark 2035 Education Portfolio	46
CST Spark 2038 Education Portfolio	57
CST Spark 2041 Education Portfolio	68
Generic Notes to Financial Statements	79

***Notice to Reader:***

These interim financial statements for the six-month period ended April 30, 2022, have not been reviewed by the Funds' auditors.

# CST Spark Education Portfolios


## Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by C.S.T. Spark Inc. ("CST Spark") as manager of the CST Spark Education Portfolios (the "Funds") and approved by the Board of Directors of CST Spark. We are responsible for the information contained within the financial statements.

We have maintained appropriate procedures and controls to ensure that timely and reliable financial information is produced. The financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") (and they include certain amounts that are based on estimates and judgments). The significant accounting policies, which we believe are appropriate for the Funds, are described in Note 3 to the financial statements.



**Sherry J. MacDonald, CPA, CA**  
President and Chief Executive Officer



**Christopher Ferris, CPA, CGA, CFA**  
Chief Financial Officer

June 8, 2022

# CST Spark Graduation Portfolio

## Semi-Annual Management Report of Fund Performance

### Introduction

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual financial statements of the Fund. You can obtain a copy of the unaudited semi-annual financial statements at your request, and at no cost, by calling 1-800-461-7100, by writing to us at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8, or by visiting our website at [www.cstspark.ca](http://www.cstspark.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

This management discussion of fund performance presents the portfolio management team's view on the significant factors and developments for the six-month period ended April 30, 2022 (the "period"), that have affected the Fund's performance and outlook.

### Investment Objective and Strategies

The Fund seeks to provide security holders with a relatively stable level of income, preserving capital and maintaining liquidity. The Fund primarily invests in a diversified asset mix consisting of exchange traded funds providing exposure to fixed income, money market, cash equivalents and equity securities.

The Fund's assets are passively managed by BlackRock Asset Management Canada Limited ("BlackRock") according to a pre-defined glide path mandate using exchange-traded funds ("ETFs").

### Risk

The risks associated with investing in the Fund remain as described in the prospectus. There were no changes to the Fund during the period that materially affected the overall level of risk associated with an investment in the Fund.

### Results of Operation

As at April 30, 2022 the net asset value of the Fund was \$2.28 million. Investment performance is not provided for a fund that has been available for less than one year.

### Economic Review

As global markets showed signs of recovery from the Covid-19 pandemic, central banks announced their intention to reduce monetary stimulus with the reopening of the economy. In this environment, markets experienced increased inflationary pressures due to supply disruptions, increased global demand, and rising energy prices. The Russian invasion of Ukraine introduced significant uncertainty to the outlook for the global economy, resulting in greater volatility in financial markets and pushed commodity prices higher and further disrupted supply chains. As a result, inflation has increased in most economies, including Canada's. Energy and food prices continue to rise, and ongoing supply constraints are interacting with robust demand to put upward pressure on prices of goods and services. Despite improvement in employment levels and consumer demand, risks to the economic outlook remain.

The U.S. economy continued to recover from the pandemic with strong GDP growth into 2022. The Federal Reserve continued to maintain the overnight lending rate at 0.25% and announced in late 2021 plans to reduce quantitative easing measures.

Unemployment levels improved over the course of the year decreasing from 4.8% in September 2021 to 3.6% as of March 2022. The U.S. Consumer Price Index increased 8.5 percent for the year ended March 2022, the largest 12-month advance since December 1981.

Despite stabilizing in early 2022, Canadian GDP levels remained robust with the Bank of Canada expecting improved growth throughout the remainder of the year. Employment and participation rates continued to improve with the Canadian unemployment rate decreasing to 5.5% in February 2022. Inflation, as measured by the Consumer Price Index (CPI), hit a three-decade high in February 2022, reaching 5.7% on a year-over year basis. The run-up in inflation reflects global factors, such as strong demand and supply chain disruptions. The Bank of Canada increased the overnight lending rate by 0.25% in March followed with a 0.50% hike on April 13, 2022.

With inflation at its highest level in decades combined with the Bank of Canada's 0.75% interest rate hike, yield levels across the maturity curve rose substantially, resulting in sharply negative Canadian fixed income returns. In this environment, the FTSE Canada Universe Bond Index declined by 7.9%, with longer dated maturities such as the FTSE Canada Long Term Bond Index falling 13.8% over the same period. The steep rise in interest rates impacted shorter maturity bonds, with the FTSE Canadian Short-Term Bond Index falling 3.3% over the reporting period.

The majority of global equity markets experienced significant losses over the reporting period as investors sought to lessen their exposure to riskier assets given the crisis in Ukraine, the resurgence of Covid-19 in China, and ongoing supply chain constraints. The S&P 500 (representative of U.S. large cap equities) fell 7.0% (in Canadian dollar terms) over the period with both the Consumer Discretionary and Communication Services sectors experiencing double digit losses. Non-north American equities including the MSCI EAFE IMI Index and MSCI Emerging Markets IMI Index experienced sharper losses of 9.7% and 10.7%, respectively (both in Canadian dollar terms) as both regions' greater exposure to the market events impacted returns. The Canadian equity market (as represented by the S&P/TSX Capped Composite) outperformed most other major markets in this environment with a return of 0.0% and largely fueled by a 28.5% Energy sector gain.

# CST Spark Graduation Portfolio

## Related Party Transactions

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The Fund is managed by C.S.T. Spark Inc. (the “Manager”). The Manager is responsible for the overall management and administration of the Fund, which includes day-to-day management, distribution, and administration, including portfolio management, trustee, record-keeping, accounting, taxation, valuation, distribution, and custody services. The Manager, at its discretion, may outsource some of these functions to third parties, in the best interest of the Fund.

## Management Fees

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As compensation for its services, the Manager is entitled to receive an annual management fee of 1.3% (the “Management Fee”) plus applicable taxes. The Management Fee is calculated daily and payable monthly, in arrears, based on the daily average net asset value (“NAV”) of the Fund.

Where a Fund invests in an underlying investment fund, including an exchange traded fund (ETF), the fees and expenses

payable by that underlying fund are in addition to the fees and expenses payable by the Fund. No sales or redemption fees, other than brokerage fees, are payable by a Fund when it buys or sells securities of an underlying fund.

The Fund holds ETFs that are managed by BlackRock. The management expense ratios of these ETFs, as reported in their most recent ETF Facts range from 0.06% to 0.72%, for a weighted average cost of 0.18% (per annum including applicable taxes). These fees are not paid directly by you but impact the prices of the ETFs that the Fund holds.

The Manager does not charge a management fee that would be reasonably expected to duplicate a fee payable by the underlying funds in which a Fund invests for the same service.

The Manager, in its sole discretion, may waive or absorb a portion of a Fund’s Management Fee. Such waivers or absorptions may be terminated at any time without notice.

During the period, a Management Fee of \$8,661 was paid to the Manager.

# CST Spark Graduation Portfolio

## Financial Highlights

For the period ended April 30, 2022

	2022 <sup>4</sup> \$
<b>The Fund's Net Assets per Unit<sup>1</sup></b>	
Net assets, beginning of period	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.07
Total expenses	(0.08)
Realized gains (losses)	(0.01)
Unrealized gains (losses)	(0.59)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.61)</b>
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	(0.02)
From capital gains	-
Return of capital	-
<b>Total annual distributions<sup>3</sup></b>	<b>(0.02)</b>
<b>Net assets, end of period</b>	<b>9.55</b>
<b>Ratios and Supplemental Data</b>	
Total net asset value (000's)	\$ 2,284
Number of units outstanding	239,198
Management expense ratio <sup>5</sup>	1.45%
Management expense ratio before waivers or absorption <sup>6</sup>	1.45%
Trading expense ratio <sup>7</sup>	0.13%
Portfolio turnover rate <sup>8</sup>	6.97%
Net asset value per unit	9.55

<sup>1</sup> This information is derived from the Fund's unaudited interim financial report.

<sup>2</sup> Net Assets and Total distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets and accordingly columns may not add.

<sup>3</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.

<sup>4</sup> As at April 30, 2022 or for the period from November 1, 2021 to April 30, 2022, as applicable.

<sup>5</sup> Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>6</sup> The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

<sup>7</sup> The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>8</sup> The Fund's portfolio turnover rate indicates how actively the Fund adviser trades 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 the 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 the Fund.

# CST Spark Graduation Portfolio

## Past Performance

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Investment performance is not provided as the Fund has been available for less than one year.

## Summary of Fund Investment Portfolio

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### Portfolio Allocation

as at April 30, 2022

	<b>% of Net Asset Value</b>
Canadian Fixed Income Funds	41.2
Money Market Funds	37.1
U.S. Equity Funds	6.8
Non-North American Equity Funds	5.6
Canadian Equity Funds	3.5
Global Real Estate Funds	1.9
Cash/ and other	3.9
<b>Total Portfolio Allocation</b>	<b>100.0</b>

### Top 25 Holdings

as at April 30, 2022

The following Top Holdings table shows the 25 largest holdings (or all holdings if the total number of holdings is less than 25).

The prospectus and other information about the underlying investment funds in the portfolio are available at [www.sedar.com](http://www.sedar.com).

<b>Holdings Issuer</b>	<b>% of Net Asset Value</b>
iShares Premium Money Market ETF	37.1
iShares core Canadian Short Term Bond Index ETF	29.8
iShares Core Canadian Universe Bond Index ETF	10.6
iShares Core S&P 500 Index ETF	6.8
iShares Core S&P/TSX Capped Composite Index ETF	3.5
iShares Core MSCI EAFE IMI Index ETF	3.4
iShares Core MSCI Emerging Markets IMI Index ETF	2.2
iShares Global Real Estate Index ETF	1.9
iShares Canadian Real Return Bond Index ETF	0.8
Cash and other	3.9
<b>Total holdings as a percentage of net asset value</b>	<b>100.0</b>

# CST Spark Graduation Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Financial Position

As at April 30, 2022

	2022
<b>Assets</b>	
<b>Current assets</b>	
Cash	\$ 29,724
Investments	2,195,191
Receivable for investments sold	1,250
Subscriptions receivable	88,234
	<b>2,314,399</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Payable for investments purchased	21,036
Management fees payable	9,712
	<b>30,748</b>
<b>Net Assets attributable to holders of redeemable units</b>	<b>\$2,283,651</b>
<b>Redeemable units outstanding</b> <i>(Note 6)</i>	<b>239,198</b>
<b>Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ 9.55</b>

Approved on behalf of the Board of Directors of the Manager, C.S.T. Spark Inc.



Douglas P. McPhie, FCPA, FCA



Sherry J. MacDonald, CPA, CA



# CST Spark Graduation Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Comprehensive Income

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Income</b>	
Other income (loss)	\$ 970
Net gain (loss) on investments	
Distributions from underlying funds	9,136
Net realized gain (loss) on investments	(985)
Net change in unrealized appreciation (depreciation) on investments	(85,046)
Total net gain (loss) on investments	(76,895)
<b>Total income (loss), net</b>	<b>(75,925)</b>
<b>Expenses</b> <i>(Note 8)</i>	
Management fees	8,661
Transaction costs <i>(Note 3)</i>	853
Harmonized sales tax	1,051
<b>Total operating expenses</b>	<b>10,565</b>
Withholding taxes <i>(Note 7)</i>	(144)
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>\$ (86,634)</b>
<b>Weighted average number of units outstanding</b>	<b>142,177</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ (0.61)</b>

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

# CST Spark Graduation Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Net Assets attributable to holders of redeemable units – Beginning of period</b>	<b>\$ –</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>(86,634)</b>
<b>Redeemable unit transactions</b>	
Proceeds from redeemable units issued	2,378,300
Reinvestments of distributions to holders of redeemable units	1,544
Redemption of redeemable units	(7,918)
<b>Net increase (decrease) from redeemable unit transactions</b>	<b>2,371,926</b>
<b>Distributions to holders of redeemable units</b>	
From net investment income	(1,639)
From net realized capital gains	(2)
<b>Total distributions to holders of redeemable units</b>	<b>(1,641)</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units during the period</b>	<b>2,283,651</b>
<b>Net Assets attributable to holders of redeemable units – End of period</b>	<b>\$2,283,651</b>

# CST Spark Graduation Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Cash Flows

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<hr/>	
<b>Cash flows from (used in) Operating activities</b>	
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	\$ (86,634)
<b>Adjustments to reconcile to operating cash flows:</b>	
Net realized (gain) loss on investments	985
Net change in unrealized (appreciation) depreciation of investments	85,046
Purchase of investments	(2,353,360)
Proceeds from investments sold	91,924
Increase (decrease) in management fees payable	9,712
<hr/>	
<b>Net cash flows from (used in) operating activities</b>	<b>(2,252,327)</b>
<hr/>	
<b>Cash flows from (used in) Financing activities</b>	
Proceeds from redeemable units issued	2,290,066
Redemption of redeemable units	(7,918)
Distributions paid to holders of redeemable units, net of reinvestments	(97)
<hr/>	
<b>Net cash flows from (used in) financing activities</b>	<b>2,282,051</b>
<hr/>	
<b>Increase (decrease) in cash</b>	
Net increase (decrease) in cash	29,724
Cash, beginning of period	-
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<b>Cash, end of period</b>	<b>\$ 29,724</b>
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The accompanying notes are an integral part of these financial statements.

# CST Spark Graduation Portfolio

## Schedule of Investment Portfolio (Unaudited)

As at April 30, 2022

	Number of Units	Average Cost (\$)	Fair Value (\$)	Percentage of Net Assets (%)
<b>Exchange-traded funds</b>				
iShares Canadian Real Return Bond Index ETF	744	19,421	17,692	0.8
iShares Core Canadian Short Term Bond Index ETF	26,079	707,582	680,400	29.8
iShares Core Canadian Universe Bond Index ETF	8,567	263,993	241,761	10.6
iShares Core MSCI EAFE IMI Index ETF	2,521	87,997	78,580	3.4
iShares Core MSCI Emerging Markets IMI Index ETF	1,987	57,615	51,324	2.2
iShares Core S&P 500 Index ETF	2,369	171,200	155,999	6.8
iShares Core S&P/TSX Capped Composite Index ETF	2,433	82,492	80,557	3.5
iShares Global Real Estate Index ETF	1,331	44,324	42,659	1.9
iShares Premium Money Market ETF	16,921	846,402	846,219	37.1
<b>Total Exchange-traded funds</b>		<b>2,281,026</b>	<b>2,195,191</b>	<b>96.1</b>
<b>Embedded Broker Commissions</b> <i>(Note 3)</i>		<b>(789)</b>		
<b>Total Investments</b>		<b>2,280,237</b>	<b>2,195,191</b>	<b>96.1</b>
<b>Other Assets Less Liabilities</b>			<b>88,460</b>	<b>3.9</b>
<b>Net Assets attributable to holders of redeemable units</b>			<b>2,283,651</b>	<b>100.0</b>

# CST Spark Graduation Portfolio

## Notes to Financial Statements – Fund Specific Information

April 30, 2022

(Unaudited)

These fund specific notes shall be read in conjunction with the accompanying notes to the financial statements which are an integral part of these financial statements. These fund specific notes can be referenced to the accompanying notes by the corresponding note number. Since they are supplemental to the accompanying notes, there may not be a corresponding specific note to match every accompanying note.

### General Information (Note 1)

The CST Spark Graduation Portfolio (the “Fund”) is an open-ended investment fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated November 1, 2021.

The investment objective of the Fund is to provide investors with a relatively stable level of income, preserving capital and maintaining liquidity.

### Fair Value of Financial Instruments (Note 5)

#### Classification of investments under the Fair Value Hierarchy

The table below illustrates the classification of the Fund’s financial instruments measured at fair value at the reporting date. The amounts are based on the values recognized in the Statement of Financial Position.

As at April 30, 2022:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$2,195,191	\$ -	\$ -	\$2,195,191
	\$2,195,191	\$ -	\$ -	\$2,195,191

There were no transfers of financial assets between Level 1, Level 2 and Level 3 for the period from November 1, 2021 (commencement of operations) to April 30, 2022. All fair value measurements above are recurring.

### Redeemable Units of the Fund (Note 6)

For the period from November 1, 2021 to April 30, 2022, changes in outstanding units were as follows:

Number of Redeemable Units	2022
Balance – Beginning of period	-
Redeemable units issued	239,853
Redeemable units reinvested	154
Redeemable units redeemed	(809)
	239,198
Balance – End of period	239,198

### Taxation of Fund (Note 7)

As at December 31, 2021, the Fund had no unused capital or non-capital losses.

### Related Party Transactions and Other Expenses (Note 8)

#### Related party transactions

On November 1, 2021, the Manager purchased 15,001 units of the Fund at per unit price of \$10 for a total consideration of \$150,010. The Manager may not redeem the initial units of the Fund that it purchased on November 1, 2021, until the Fund has received total subscriptions of \$500,000 from other investors.

#### Management fees

Management Fees of 1.3% are charged to the Fund by the Manager.

### Financial Risk Management (Note 9)

#### Currency risk

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

Currency	April 30 2022
Canadian dollar	85.2
U.S. dollar	8.4
Chinese yuan	0.9
Japanese yen	0.9
Euro	0.8
Pound sterling	0.6
Australian dollar	0.4
Other currencies	2.8
Total	100.0

As at April 30, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively by approximately 0.1% or \$3,300. In practice, actual results could differ materially from this sensitivity analysis.

# CST Spark Graduation Portfolio

## Notes to Financial Statements – Fund Specific Information

(continued)

April 30, 2022

(Unaudited)

### Financial Risk Management (Note 9) (continued)

#### Interest rate risk

Fixed-income and debt securities, excluding short-term investments, comprise 81.5% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Maturity schedule	April 30 2022
Less than 1 year	47.6
1-5 years	42.7
5-10 years	4.7
10-15 years	0.9
15-20 years	1.0
> 20 years	3.1
Total	100.0

#### Other price risk

As at April 30, 2022, the Fund is exposed to other price risk to the extent the underlying ETFs invest in securities subject to market fluctuations. Substantially all of the Fund's net assets were exposed to other price risk. If the prices of the securities held by the underlying funds had increased or decreased by 10%, with all other factors remaining constant, net asset attributable to holders of redeemable

units would have increased or decreased by approximately \$219,519. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

Credit-exposed securities, excluding short-term investments, comprise 81.5% of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	April 30 2022
A-1+	27.4
A-1	19.6
AAA	24.0
AA	13.5
A	9.2
BB	6.2
Other	0.1
Total	100.0

### Investments in Underlying Funds (Note 10)

The Fund's ownership interest as a percentage of NAV of each of the underlying funds is less than 0.05%. All underlying funds are established and conduct business in Canada.

# CST Spark 2026 Education Portfolio

## Semi-Annual Management Report of Fund Performance

### Introduction

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual financial statements of the Fund. You can obtain a copy of the unaudited semi-annual financial statements at your request, and at no cost, by calling 1-800-461-7100, by writing to us at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8, or by visiting our website at [www.cstspark.ca](http://www.cstspark.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

This management discussion of fund performance presents the portfolio management team's view on the significant factors and developments for the six-month period ended April 30, 2022 (the "period"), that have affected the Fund's performance and outlook.

### Investment Objective and Strategies

The Fund seeks to provide the opportunity for capital appreciation and income for the purposes of funding a post-secondary education anticipated to begin between 2025 and 2037. The Fund primarily invests in a diversified asset mix consisting of exchange traded funds providing exposure to fixed income, money market, cash equivalents and equity securities. The actual asset mix of the Fund will be adjusted on a quarterly basis as the investment portfolio transitions over time, from an emphasis on equities to an emphasis on fixed income securities. When the Fund approaches its end date, the asset mix transitions to a substantially more conservative mix with the majority of assets allocated to fixed income securities and/or money market and cash equivalent securities.

The Fund's assets are passively managed by BlackRock Asset Management Canada Limited ("BlackRock") according to a pre-defined glide path mandate using exchange-traded funds ("ETFs").

### Risk

The risks associated with investing in the Fund remain as described in the prospectus. There were no changes to the Fund during the period that materially affected the overall level of risk associated with an investment in the Fund.

### Results of Operation

As at April 30, 2022 the net asset value of the Fund was \$1.12 million as of April 30, 2022. Investment performance is not provided for a fund that has been available for less than one year.

### Economic Review

As global markets showed signs of recovery from the Covid-19 pandemic, central banks announced their intention to reduce monetary stimulus with the reopening of the economy. In this environment, markets experienced increased inflationary pressures due to supply disruptions, increased global demand, and rising energy prices. The Russian invasion of Ukraine introduced significant uncertainty to the outlook for the global economy, resulting in greater volatility in financial markets and pushed commodity prices higher and further disrupted supply chains. As a result, inflation has increased in most economies, including Canada's. Energy and food prices continue to rise, and ongoing supply constraints are interacting with robust demand to put upward

pressure on prices of goods and services. Despite improvement in employment levels and consumer demand, risks to the economic outlook remain.

The U.S. economy continued to recover from the pandemic with strong GDP growth into 2022. The Federal Reserve continued to maintain the overnight lending rate at 0.25% and announced in late 2021 plans to reduce quantitative easing measures. Unemployment levels improved over the course of the year decreasing from 4.8% in September 2021 to 3.6% as of March 2022. The U.S. Consumer Price Index increased 8.5 percent for the year ended March 2022, the largest 12-month advance since December 1981.

Despite stabilizing in early 2022, Canadian GDP levels remained robust with the Bank of Canada expecting improved growth throughout the remainder of the year. Employment and participation rates continued to improve with the Canadian unemployment rate decreasing to 5.5% in February 2022. Inflation, as measured by the Consumer Price Index (CPI) hit a three-decade high in February 2022, reaching 5.7% on a year-over year basis. The run-up in inflation reflects global factors, such as strong demand and supply chain disruptions. The Bank of Canada increased the overnight lending rate by 0.25% in March followed with a 0.50% hike on April 13, 2022.

With inflation at its highest level in decades combined with the Bank of Canada's 0.75% interest rate hike, yield levels across the maturity curve rose substantially, resulting in sharply negative Canadian fixed income returns. In this environment, the FTSE Canada Universe Bond Index declined by 7.9%, with longer dated maturities such as the FTSE Canada Long Term Bond Index falling 13.8% over the same period. The steep rise in interest rates impacted shorter maturity bonds, with the FTSE Canadian Short-Term Bond Index falling 3.3% over the reporting period.

The majority of global equity markets experienced significant losses over the reporting period as investors sought to lessen their exposure to riskier assets given the crisis in Ukraine, the resurgence of Covid-19 in China, and ongoing supply chain constraints. The S&P 500 (representative of U.S. large cap equities) fell 7.0% (in Canadian dollar terms) over the period with both the Consumer Discretionary and Communication Services sectors experiencing double digit losses. Non-north American equities including the

# CST Spark 2026 Education Portfolio

MSCI EAFE IMI Index and MSCI Emerging Markets IMI Index experienced sharper losses of 9.7% and 10.7%, respectively (both in Canadian dollar terms) as both regions' greater exposure to the market events impacted returns. The Canadian equity market (as represented by the S&P/TSX Capped Composite) outperformed most other major markets in this environment with a return of 0.0% and largely fueled by a 28.5% Energy sector gain.

## Related Party Transactions

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The Fund is managed by C.S.T. Spark Inc. (the "Manager"). The Manager is responsible for the overall management and administration of the Fund, which includes day-to-day management, distribution, and administration, including portfolio management, trustee, record-keeping, accounting, taxation, valuation, distribution, and custody services. The Manager, at its discretion, may outsource some of these functions to third parties, in the best interest of the Fund.

## Management Fees

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As compensation for its services, the Manager is entitled to receive an annual management fee of 1.3% (the "Management

Fee") plus applicable taxes. The Management Fee is calculated daily and payable monthly, in arrears, based on the daily average net asset value ("NAV") of the Fund.

Where a Fund invests in an underlying investment fund, including an exchange traded fund (ETF), the fees and expenses payable by that underlying fund are in addition to the fees and expenses payable by the Fund. No sales or redemption fees, other than brokerage fees, are payable by a Fund when it buys or sells securities of an underlying fund.

The Fund holds ETFs that are managed by BlackRock. The management expense ratios of these ETFs, as reported in their most recent ETF Facts range from 0.06% to 0.72%, for a weighted average cost of 0.20% (per annum including applicable taxes). These fees are not paid directly by you but impact the prices of the ETFs that the Fund holds.

The Manager does not charge a management fee that would be reasonably expected to duplicate a fee payable by the underlying funds in which a Fund invests for the same service.

The Manager, in its sole discretion, may waive or absorb a portion of a Fund's Management Fee. Such waivers or absorptions may be terminated at any time without notice.

During the period, a Management Fee of \$4,178 was paid to the Manager.



# CST Spark 2026 Education Portfolio

## Financial Highlights

For the period ended April 30, 2022

	2022 <sup>4</sup> \$
<b>The Fund's Net Assets per Unit<sup>1</sup></b>	
Net assets, beginning of period	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.12
Total expenses	(0.08)
Realized gains (losses)	(0.06)
Unrealized gains (losses)	(1.46)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(1.48)</b>
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	(0.05)
From capital gains	-
Return of capital	-
<b>Total annual distributions<sup>3</sup></b>	<b>(0.05)</b>
<b>Net assets, end of period</b>	<b>8.95</b>
<b>Ratios and Supplemental Data</b>	
Total net asset value (000's)	\$ 1,120
Number of units outstanding	125,092
Management expense ratio <sup>5</sup>	1.43%
Management expense ratio before waivers or absorption <sup>6</sup>	1.43%
Trading expense ratio <sup>7</sup>	0.14%
Portfolio turnover rate <sup>8</sup>	12.22%
Net asset value per unit	8.95

<sup>1</sup> This information is derived from the Fund's unaudited interim financial report.

<sup>2</sup> Net Assets and Total distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets and accordingly columns may not add.

<sup>3</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.

<sup>4</sup> As at April 30, 2022 or for the period from November 1, 2021 to April 30, 2022, as applicable.

<sup>5</sup> Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>6</sup> The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

<sup>7</sup> The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>8</sup> The Fund's portfolio turnover rate indicates how actively the Fund adviser trades 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 the 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 the Fund.

# CST Spark 2026 Education Portfolio

## Past Performance

Investment performance is not provided as the Fund has been available for less than one year.

## Summary of Fund Investment Portfolio

### Portfolio Allocation

as at April 30, 2022

	<b>% of Net Asset Value</b>
Canadian Fixed Income Funds	53.8
U.S. Equity Funds	18.1
Non-North American Equity Funds	11.8
Canadian Equity Funds	5.9
Global Real Estate Funds	4.2
Cash and other	6.2
<b>Total Portfolio Allocation</b>	<b>100.0</b>

### Top 25 Holdings

as at April 30, 2022

The following Top Holdings table shows the 25 largest holdings (or all holdings if the total number of holdings is less than 25).

The prospectus and other information about the underlying investment funds in the portfolio are available at [www.sedar.com](http://www.sedar.com).

<b>Holdings Issuer</b>	<b>% of Net Asset Value</b>
iShares Core Canadian Universe Bond Index ETF	26.5
iShares Core Canadian Long Term Bond Index ETF	19.3
iShares Core S&P 500 Index ETF	18.1
iShares Core MSCI EAFE IMI Index ETF	8.0
iShares Canadian Real Return Bond Index ETF	8.0
iShares Core S&P/TSX Capped Composite Index ETF	5.9
iShares Global Real Estate Index ETF	4.2
iShares Core MSCI Emerging Markets IMI Index ETF	3.8
Cash and other	6.2
<b>Total holdings as a percentage of net asset value</b>	<b>100.0</b>

# CST Spark 2026 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Financial Position

As at April 30, 2022

	2022
<b>Assets</b>	
<b>Current assets</b>	
Cash	\$ 19,763
Investments	1,050,700
Subscriptions receivable	75,475
	<b>1,145,938</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Payable for investments purchased	21,170
Management fees payable	4,676
	<b>25,846</b>
<b>Net Assets attributable to holders of redeemable units</b>	<b>\$1,120,092</b>
<b>Redeemable units outstanding</b> <i>(Note 6)</i>	<b>125,092</b>
<b>Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ 8.95</b>

Approved on behalf of the Board of Directors of the Manager, C.S.T. Spark Inc.

Douglas P. McPhie, FCPA, FCA

Sherry J. MacDonald, CPA, CA

# CST Spark 2026 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Comprehensive Income

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Income</b>	
Other income (loss)	\$ 1,028
Net gain (loss) on investments	
Distributions from underlying funds	7,549
Net realized gain (loss) on investments	(4,148)
Net change in unrealized appreciation (depreciation) on investments	(103,866)
Total net gain (loss) on investments	(100,465)
<b>Total income (loss), net</b>	<b>(99,437)</b>
<b>Expenses</b> <i>(Note 8)</i>	
Management fees	4,178
Transaction costs <i>(Note 3)</i>	455
Harmonized sales tax	498
<b>Total operating expenses</b>	<b>5,131</b>
Withholding taxes <i>(Note 7)</i>	(189)
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>\$(104,757)</b>
<b>Weighted average number of units outstanding</b>	<b>70,885</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ (1.48)</b>

# CST Spark 2026 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Net Assets attributable to holders of redeemable units – Beginning of period</b>	<b>\$ –</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>(104,757)</b>
<b>Redeemable unit transactions</b>	
Proceeds from redeemable units issued	1,229,349
Reinvestments of distributions to holders of redeemable units	1,942
Redemption of redeemable units	(4,381)
<b>Net increase (decrease) from redeemable unit transactions</b>	<b>1,226,910</b>
<b>Distributions to holders of redeemable units</b>	
From net investment income	(2,017)
From net realized capital gains	(45)
<b>Total distributions to holders of redeemable units</b>	<b>(2,062)</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units during the period</b>	<b>1,120,091</b>
<b>Net Assets attributable to holders of redeemable units – End of period</b>	<b>\$1,120,091</b>

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

# CST Spark 2026 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Cash Flows

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Cash flows from (used in) Operating activities</b>	
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	\$ (104,757)
<b>Adjustments to reconcile to operating cash flows:</b>	
Net realized (gain) loss on investments	4,148
Net change in unrealized (appreciation) depreciation of investments	103,866
Purchase of investments	(1,215,973)
Proceeds from investments sold	78,429
Increase (decrease) in management fees payable	4,676
<b>Net cash flows from (used in) operating activities</b>	<b>(1,129,611)</b>
<b>Cash flows from (used in) Financing activities</b>	
Proceeds from redeemable units issued	1,153,874
Redemption of redeemable units	(4,381)
Distributions paid to holders of redeemable units, net of reinvestments	(120)
<b>Net cash flows from (used in) financing activities</b>	<b>1,149,373</b>
<b>Increase (decrease) in cash</b>	
Net increase (decrease) in cash	19,762
Cash, beginning of period	-
<b>Cash, end of period</b>	<b>\$ 19,763</b>

# CST Spark 2026 Education Portfolio

## Schedule of Investment Portfolio (Unaudited)

As at April 30, 2022

	Number of Units	Average Cost (\$)	Fair Value (\$)	Percentage of Net Assets (%)
<b>Exchange-traded funds</b>				
iShares Canadian Real Return Bond Index ETF	3,764	97,638	89,508	8.0
iShares Core Canadian Long Term Bond Index ETF	10,510	250,186	215,981	19.3
iShares Core Canadian Universe Bond Index ETF	10,506	320,530	296,479	26.5
iShares Core MSCI EAFE IMI Index ETF	2,878	100,094	89,707	8.0
iShares Core MSCI Emerging Markets IMI Index ETF	1,634	47,908	42,206	3.8
iShares Core S&P 500 Index ETF	3,104	222,914	204,398	18.1
iShares Core S&P/TSX Capped Composite Index ETF	1,986	67,442	65,756	5.9
iShares Global Real Estate Index ETF	1,456	48,252	46,665	4.2
<b>Total Exchange-traded funds</b>		<b>1,154,964</b>	<b>1,050,700</b>	<b>93.8</b>
<b>Embedded Broker Commissions</b> <i>(Note 3)</i>		<b>(398)</b>		
<b>Total Investments</b>		<b>1,154,566</b>	<b>1,050,700</b>	<b>93.8</b>
<b>Other Assets Less Liabilities</b>			<b>69,392</b>	<b>6.2</b>
<b>Net Assets attributable to holders of redeemable units</b>			<b>1,120,092</b>	<b>100.0</b>

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

# CST Spark 2026 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

April 30, 2022

(Unaudited)

These fund specific notes shall be read in conjunction with the accompanying notes to the financial statements which are an integral part of these financial statements. These fund specific notes can be referenced to the accompanying notes by the corresponding note number. Since they are supplemental to the accompanying notes, there may not be a corresponding specific note to match every accompanying note.

### General Information (Note 1)

The CST Spark 2026 Education Portfolio (the “Fund”) is an open-ended investment fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated November 1, 2021.

The investment objective of the Fund is to provide the opportunity for capital appreciation and income for the purpose of funding post-secondary education anticipated to begin between 2025 and 2027.

### Fair Value of Financial Instruments (Note 5)

#### Classification of investments under the Fair Value Hierarchy

The table below illustrates the classification of the Fund’s financial instruments measured at fair value at the reporting date. The amounts are based on the values recognized in the Statement of Financial Position.

As at April 30, 2022:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$1,050,700	\$ -	\$ -	\$1,050,700
	\$1,050,700	\$ -	\$ -	\$1,050,700

There were no transfers of financial assets between Level 1, Level 2 and Level 3 for the period from November 1, 2021 (commencement of operations) to April 30, 2022. All fair value measurements above are recurring.

### Redeemable Units of the Fund (Note 6)

For the period from November 1, 2021 to April 30, 2022, changes in outstanding units were as follows:

Number of Redeemable Units	2022
Balance – Beginning of period	-
Redeemable units issued	125,359
Redeemable units reinvested	190
Redeemable units redeemed	(457)
	125,092
Balance – End of period	125,092

### Taxation of Fund (Note 7)

As at December 31, 2021, the Fund had no unused capital or non-capital losses.

### Related Party Transactions and Other Expenses (Note 8)

#### Related party transactions

On November 1, 2021, the Manager purchased 15,001 units of the Fund at per unit price of \$10 for a total consideration of \$150,010. The Manager may not redeem the initial units of the Fund that it purchased on November 1, 2021, until the Fund has received total subscriptions of \$500,000 from other investors.

#### Management fees

Management Fees of 1.3% are charged to the Fund by the Manager.

### Financial Risk Management (Note 9)

#### Currency risk

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

Currency	April 30 2022
Canadian dollar	63.7
U.S. dollar	22.3
Japanese yen	2.3
Chinese yuan	1.8
Euro	1.8
Pound sterling	1.5
Australian dollar	1.0
Other currencies	5.6
Total	100.0

As at April 30, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively by approximately 0.4% or \$3,800. In practice, actual results could differ materially from this sensitivity analysis.



# CST Spark 2026 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

(continued)

April 30, 2022

(Unaudited)

### Financial Risk Management (Note 9) (continued)

#### Interest rate risk

Fixed-income and debt securities, excluding short-term investments, comprise 57.4% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Maturity schedule	April 30 2022
Less than 1 year	0.1
1-5 years	22.2
5-10 years	16.8
10-15 years	10.9
15-20 years	11.7
> 20 years	38.3
Total	100.0

#### Other price risk

As at April 30, 2022, the Fund is exposed to other price risk to the extent the underlying ETFs invest in securities subject to market fluctuations. Substantially all of the Fund's net assets were exposed to other price risk. If the prices of the securities held by the underlying funds had increased or decreased by 10%, with all other factors

remaining constant, net asset attributable to holders of redeemable units would have increased or decreased by approximately \$105,070. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

Credit-exposed securities, excluding short-term investments, comprise 57.4% of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	April 30 2022
AAA	37.8
AA	38.1
A	14.5
BB	9.4
Other	0.2
Total	100.0

### Investments in Underlying Funds (Note 10)

The Fund's ownership interest as a percentage of NAV of each of the underlying funds is less than 0.05%. All underlying funds are established and conduct business in Canada.

# CST Spark 2029 Education Portfolio

## Semi-Annual Management Report of Fund Performance

### Introduction

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual financial statements of the Fund. You can obtain a copy of the unaudited semi-annual financial statements at your request, and at no cost, by calling 1-800-461-7100, by writing to us at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8, or by visiting our website at [www.cstspark.ca](http://www.cstspark.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

This management discussion of fund performance presents the portfolio management team's view on the significant factors and developments for the six-month period ended April 30, 2022 (the "period"), that have affected the Fund's performance and outlook.

### Investment Objective and Strategies

The Fund seeks to provide the opportunity for capital appreciation and income for the purposes of funding a post-secondary education anticipated to begin between 2028 and 2030. The Fund primarily invests in a diversified asset mix consisting of exchange traded funds providing exposure to fixed income, money market, cash equivalents and equity securities. The actual asset mix of the Fund will be adjusted on a quarterly basis as the investment portfolio transitions over time, from an emphasis on equities to an emphasis on fixed income securities. When the Fund approaches its end date, the asset mix transitions to a substantially more conservative mix with the majority of assets allocated to fixed income securities and/or money market and cash equivalent securities.

The Fund's assets are passively managed by BlackRock Asset Management Canada Limited ("BlackRock") according to a pre-defined glide path mandate using exchange-traded funds ("ETFs").

### Risk

The risks associated with investing in the Fund remain as described in the prospectus. There were no changes to the Fund during the period that materially affected the overall level of risk associated with an investment in the Fund.

### Results of Operation

As at April 30, 2022 the net asset value of the Fund was \$880 thousand. Investment performance is not provided for a fund that has been available for less than one year.

### Economic Review

As global markets showed signs of recovery from the Covid-19 pandemic, central banks announced their intention to reduce monetary stimulus with the reopening of the economy. In this environment, markets experienced increased inflationary pressures due to supply disruptions, increased global demand, and rising energy prices. The Russian invasion of Ukraine introduced significant uncertainty to the outlook for the global economy, resulting in greater volatility in financial markets and pushed commodity prices higher and further disrupted supply chains. As a result, inflation has increased in most economies, including Canada's. Energy and food prices continue to rise, and ongoing supply constraints are interacting with robust demand to put upward

pressure on prices of goods and services. Despite improvement in employment levels and consumer demand, risks to the economic outlook remain.

The U.S. economy continued to recover from the pandemic with strong GDP growth into 2022. The Federal Reserve continued to maintain the overnight lending rate at 0.25% and announced in late 2021 plans to reduce quantitative easing measures. Unemployment levels improved over the course of the year decreasing from 4.8% in September 2021 to 3.6% as of March 2022. The U.S. Consumer Price Index increased 8.5 percent for the year ended March 2022, the largest 12-month advance since December 1981.

Despite stabilizing in early 2022, Canadian GDP levels remained robust with the Bank of Canada expecting improved growth throughout the remainder of the year. Employment and participation rates continued to improve with the Canadian unemployment rate decreasing to 5.5% in February 2022. Inflation, as measured by the Consumer Price Index (CPI) hit a three-decade high in February 2022, reaching 5.7% on a year-over year basis. The run-up in inflation reflects global factors, such as strong demand and supply chain disruptions. The Bank of Canada increased the overnight lending rate by 0.25% in March followed with a 0.50% hike on April 13, 2022.

With inflation at its highest level in decades combined with the Bank of Canada's 0.75% interest rate hike, yield levels across the maturity curve rose substantially, resulting in sharply negative Canadian fixed income returns. In this environment, the FTSE Canada Universe Bond Index declined by 7.9%, with longer dated maturities such as the FTSE Canada Long Term Bond Index falling 13.8% over the same period. The steep rise in interest rates impacted shorter maturity bonds, with the FTSE Canadian Short-Term Bond Index falling 3.3% over the reporting period.

The majority of global equity markets experienced significant losses over the reporting period as investors sought to lessen their exposure to riskier assets given the crisis in Ukraine, the resurgence of Covid-19 in China, and ongoing supply chain constraints. The S&P 500 (representative of U.S. large cap equities) fell 7.0% (in Canadian dollar terms) over the period with both the Consumer Discretionary and Communication Services sectors experiencing double digit losses. Non-north American equities including the

# CST Spark 2029 Education Portfolio

MSCI EAFE IMI Index and MSCI Emerging Markets IMI Index experienced sharper losses of 9.7% and 10.7%, respectively (both in Canadian dollar terms) as both regions' greater exposure to the market events impacted returns. The Canadian equity market (as represented by the S&P/TSX Capped Composite) outperformed most other major markets in this environment with a return of 0.0% and largely fueled by a 28.5% Energy sector gain.

## Related Party Transactions

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The Fund is managed by C.S.T. Spark Inc. (the "Manager"). The Manager is responsible for the overall management and administration of the Fund, which includes day-to-day management, distribution, and administration, including portfolio management, trustee, record-keeping, accounting, taxation, valuation, distribution, and custody services. The Manager, at its discretion, may outsource some of these functions to third parties, in the best interest of the Fund.

## Management Fees

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As compensation for its services, the Manager is entitled to receive an annual management fee of 1.3% (the "Management

Fee") plus applicable taxes. The Management Fee is calculated daily and payable monthly, in arrears, based on the daily average net asset value ("NAV") of the Fund.

Where a Fund invests in an underlying investment fund, including an exchange traded fund (ETF), the fees and expenses payable by that underlying fund are in addition to the fees and expenses payable by the Fund. No sales or redemption fees, other than brokerage fees, are payable by a Fund when it buys or sells securities of an underlying fund.

The Fund holds ETFs that are managed by BlackRock. The management expense ratios of these ETFs, as reported in their most recent ETF Facts range from 0.06% to 0.72%, for a weighted average cost of 0.20% (per annum including applicable taxes). These fees are not paid directly by you but impact the prices of the ETFs that the Fund holds.

The Manager does not charge a management fee that would be reasonably expected to duplicate a fee payable by the underlying funds in which a Fund invests for the same service.

The Manager, in its sole discretion, may waive or absorb a portion of a Fund's Management Fee. Such waivers or absorptions may be terminated at any time without notice.

During the period, a Management Fee of \$3,376 was paid to the Manager.

# CST Spark 2029 Education Portfolio

## Financial Highlights

For the period ended April 30, 2022

	2022 <sup>4</sup> \$
<b>The Fund's Net Assets per Unit<sup>1</sup></b>	
Net assets, beginning of period	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.10
Total expenses	(0.07)
Realized gains (losses)	-
Unrealized gains (losses)	(1.40)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(1.37)</b>
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	(0.07)
From capital gains	-
Return of capital	-
<b>Total annual distributions<sup>3</sup></b>	<b>(0.07)</b>
<b>Net assets, end of period</b>	<b>8.99</b>
<b>Ratios and Supplemental Data</b>	
Total net asset value (000's)	\$ 880
Number of units outstanding	97,926
Management expense ratio <sup>5</sup>	1.42%
Management expense ratio before waivers or absorption <sup>6</sup>	1.42%
Trading expense ratio <sup>7</sup>	0.12%
Portfolio turnover rate <sup>8</sup>	4.24%
Net asset value per unit	8.99

<sup>1</sup> This information is derived from the Fund's unaudited interim financial report.

<sup>2</sup> Net Assets and Total distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets and accordingly columns may not add.

<sup>3</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.

<sup>4</sup> As at April 30, 2022 or for the period from November 1, 2021 to April 30, 2022, as applicable.

<sup>5</sup> Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>6</sup> The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

<sup>7</sup> The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>8</sup> The Fund's portfolio turnover rate indicates how actively the Fund adviser trades 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 the 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 the Fund.

# CST Spark 2029 Education Portfolio

## Past Performance

Investment performance is not provided as the Fund has been available for less than one year.

## Summary of Fund Investment Portfolio

### Portfolio Allocation

as at April 30, 2022

	<b>% of Net Asset Value</b>
Canadian Fixed Income Funds	37.5
U.S. Equity Funds	26.0
Non-North American Equity Funds	17.5
Canadian Equity Funds	8.2
Global Real Estate Funds	5.9
Cash and other	4.9
<b>Total Portfolio Allocation</b>	<b>100.0</b>

### Top 25 Holdings

as at April 30, 2022

The following Top Holdings table shows the 25 largest holdings (or all holdings if the total number of holdings is less than 25).

The prospectus and other information about the underlying investment funds in the portfolio are available at [www.sedar.com](http://www.sedar.com).

<b>Holdings Issuer</b>	<b>% of Net Asset Value</b>
iShares Core S&P 500 Index ETF	26.0
iShares Core Canadian Long Term Bond Index ETF	16.9
iShares Core Canadian Universe Bond Index ETF	15.2
iShares Core MSCI EAFE IMI Index ETF	11.8
iShares Core S&P/TSX Capped Composite Index ETF	8.2
iShares Global Real Estate Index ETF	5.9
iShares Core MSCI Emerging Markets IMI Index ETF	5.7
iShares Canadian Real Return Bond Index ETF	5.4
Cash and other	4.9
<b>Total holdings as a percentage of net asset value</b>	<b>100.0</b>

# CST Spark 2029 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Financial Position

As at April 30, 2022

	2022
<b>Assets</b>	
<b>Current assets</b>	
Cash	\$ 16,686
Investments	836,897
Receivable for investments sold	1,626
Subscriptions receivable	45,220
	<b>900,429</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Payable for investments purchased	16,045
Management fees payable	3,756
Redemptions payable	693
	<b>20,494</b>
<b>Net Assets attributable to holders of redeemable units</b>	<b>\$879,935</b>
<b>Redeemable units outstanding</b> <i>(Note 6)</i>	<b>97,926</b>
<b>Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ 8.99</b>

Approved on behalf of the Board of Directors of the Manager, C.S.T. Spark Inc.

Douglas P. McPhie, FCPA, FCA

Sherry J. MacDonald, CPA, CA

# CST Spark 2029 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Comprehensive Income

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Income</b>	
Other income (loss)	\$ 385
Net gain (loss) on investments	
Distributions from underlying funds	5,285
Net realized gain (loss) on investments	166
Net change in unrealized appreciation (depreciation) on investments	(80,513)
Total net gain (loss) on investments	(75,062)
<b>Total income (loss), net</b>	<b>(74,677)</b>
<b>Expenses</b> <i>(Note 8)</i>	
Management fees	3,376
Transaction costs <i>(Note 3)</i>	330
Harmonized sales tax	380
<b>Total operating expenses</b>	<b>4,086</b>
Withholding taxes <i>(Note 7)</i>	(199)
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>\$(78,962)</b>
<b>Weighted average number of units outstanding</b>	<b>57,439</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ (1.37)</b>

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

# CST Spark 2029 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Net Assets attributable to holders of redeemable units – Beginning of period</b>	\$ –
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>(78,962)</b>
<b>Redeemable unit transactions</b>	
Proceeds from redeemable units issued	960,064
Reinvestments of distributions to holders of redeemable units	1,762
Redemption of redeemable units	(1,134)
<b>Net increase (decrease) from redeemable unit transactions</b>	<b>960,692</b>
<b>Distributions to holders of redeemable units</b>	
From net investment income	(1,792)
From net realized capital gains	(3)
<b>Total distributions to holders of redeemable units</b>	<b>(1,795)</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units during the period</b>	<b>879,935</b>
<b>Net Assets attributable to holders of redeemable units – End of period</b>	<b>\$879,935</b>



# CST Spark 2029 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Cash Flows

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Cash flows from (used in) Operating activities</b>	
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	\$ (78,962)
<b>Adjustments to reconcile to operating cash flows:</b>	
Net realized (gain) loss on investments	(166)
Net change in unrealized (appreciation) depreciation of investments	80,513
Purchase of investments	(924,569)
Proceeds from investments sold	21,744
Increase (decrease) in management fees payable	3,756
<b>Net cash flows from (used in) operating activities</b>	<b>(897,684)</b>
<b>Cash flows from (used in) Financing activities</b>	
Proceeds from redeemable units issued	914,844
Redemption of redeemable units	(441)
Distributions paid to holders of redeemable units, net of reinvestments	(33)
<b>Net cash flows from (used in) financing activities</b>	<b>914,370</b>
<b>Increase (decrease) in cash</b>	
Net increase (decrease) in cash	16,686
Cash, beginning of period	-
<b>Cash, end of period</b>	<b>\$ 16,686</b>

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

# CST Spark 2029 Education Portfolio

## Schedule of Investment Portfolio (Unaudited)

As at April 30, 2022

	Number of Units	Average Cost (\$)	Fair Value (\$)	Percentage of Net Assets (%)
<b>Exchange-traded funds</b>				
iShares Canadian Real Return Bond Index ETF	2,016	52,194	47,940	5.4
iShares Core Canadian Long Term Bond Index ETF	7,217	170,381	148,309	16.9
iShares Core Canadian Universe Bond Index ETF	4,740	145,534	133,763	15.2
iShares Core MSCI EAFE IMI Index ETF	3,327	115,791	103,703	11.8
iShares Core MSCI Emerging Markets IMI Index ETF	1,926	56,593	49,749	5.7
iShares Core S&P 500 Index ETF	3,481	249,524	229,223	26.0
iShares Core S&P/TSX Capped Composite Index ETF	2,192	74,425	72,577	8.2
iShares Global Real Estate Index ETF	1,611	53,283	51,633	5.9
<b>Total Exchange-traded funds</b>		<b>917,725</b>	<b>836,897</b>	<b>95.1</b>
<b>Embedded Broker Commissions</b> <i>(Note 3)</i>		<b>(315)</b>		
<b>Total Investments</b>		<b>917,410</b>	<b>836,897</b>	<b>95.1</b>
<b>Other Assets Less Liabilities</b>			<b>43,038</b>	<b>4.9</b>
<b>Net Assets attributable to holders of redeemable units</b>			<b>879,935</b>	<b>100.0</b>

# CST Spark 2029 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

April 30, 2022

(Unaudited)

These fund specific notes shall be read in conjunction with the accompanying notes to the financial statements which are an integral part of these financial statements. These fund specific notes can be referenced to the accompanying notes by the corresponding note number. Since they are supplemental to the accompanying notes, there may not be a corresponding specific note to match every accompanying note.

### General Information (Note 1)

The CST Spark 2029 Education Portfolio (the “Fund”) is an open-ended investment fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated November 1, 2021.

The investment objective of the Fund is to provide the opportunity for capital appreciation and income for the purpose of funding post-secondary education anticipated to begin between 2028 and 2030.

### Fair Value of Financial Instruments (Note 5)

#### Classification of investments under the Fair Value Hierarchy

The table below illustrates the classification of the Fund’s financial instruments measured at fair value at the reporting date. The amounts are based on the values recognized in the Statement of Financial Position.

As at April 30, 2022:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$836,897	\$ -	\$ -	\$836,897
	\$836,897	\$ -	\$ -	\$836,897

There were no transfers of financial assets between Level 1, Level 2 and Level 3 for the period from November 1, 2021 (commencement of operations) to April 30, 2022. All fair value measurements above are recurring.

### Redeemable Units of the Fund (Note 6)

For the period from November 1, 2021 to April 30, 2022, changes in outstanding units were as follows:

Number of Redeemable Units	2022
Balance – Beginning of period	-
Redeemable units issued	97,874
Redeemable units reinvested	174
Redeemable units redeemed	(122)
	97,926
Balance – End of period	97,926

### Taxation of Fund (Note 7)

As at December 31, 2021, the Fund had no unused capital or non-capital losses.

### Related Party Transactions and Other Expenses (Note 8)

#### Related party transactions

On November 1, 2021, the Manager has purchased 15,001 units of the Fund at per unit price of \$10 for a total consideration of \$150,010. The Manager may not redeem the initial units of the Fund that it purchased on November 1, 2021, until the Fund has received total subscriptions of \$500,000 from other investors.

#### Management Fees

Management Fees of 1.3% are charged to the Fund by the Manager.

### Financial Risk Management (Note 9)

#### Currency risk

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

Currency	April 30 2022
Canadian dollar	48.1
U.S. dollar	31.5
Japanese yen	3.2
Chinese yuan	2.7
Euro	2.6
Pound sterling	2.2
Australian dollar	1.5
Other currenties	8.2
Total	100.0

As at April 30, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively by approximately 0.5% or \$4,300. In practice, actual results could differ materially from this sensitivity analysis.

# CST Spark 2029 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

(continued)

April 30, 2022

(Unaudited)

### Financial Risk Management (Note 9) (continued)

#### Interest rate risk

Fixed-income and debt securities, excluding short-term investments, comprise 39.4% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Maturity schedule	April 30 2022
Less than 1 year	0.1
1-5 years	18.6
5-10 years	14.3
10-15 years	11.8
15-20 years	13.0
> 20 years	42.2
Total	100.0

#### Other price risk

As at April 30, 2022, the Fund is exposed to other price risk to the extent the underlying ETFs invest in securities subject to market fluctuations. Substantially all of the Fund's net assets were exposed to other price risk. If the prices of the securities held by the underlying funds had increased or decreased by 10%, with all other factors

remaining constant, net asset attributable to holders of redeemable units would have increased or decreased by approximately \$83,690. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

Credit-exposed securities, excluding short-term investments, comprise 39.4% of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	April 30 2022
AAA	35.9
AA	39.9
A	14.8
BB	9.2
Other	0.2
Total	100.0

### Investments in Underlying Funds (Note 10)

The Fund's ownership interest as a percentage of NAV of each of the underlying funds is less than 0.05%. All underlying funds are established and conduct business in Canada.

# CST Spark 2032 Education Portfolio

## Semi-Annual Management Report of Fund Performance

### Introduction

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual financial statements of the Fund. You can obtain a copy of the unaudited semi-annual financial statements at your request, and at no cost, by calling 1-800-461-7100, by writing to us at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8, or by visiting our website at [www.cstspark.ca](http://www.cstspark.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

This management discussion of fund performance presents the portfolio management team's view on the significant factors and developments for the six-month period ended April 30, 2022 (the "period"), that have affected the Fund's performance and outlook.

### Investment Objective and Strategies

The Fund seeks to provide the opportunity for capital appreciation and income for the purposes of funding a post-secondary education anticipated to begin between 2031 and 2033. The Fund will primarily invest in a diversified mix consisting of exchange traded funds providing exposure to fixed income, money market, cash equivalents and equity securities. The actual asset mix of the Fund will be adjusted on a quarterly basis as the investment portfolio transitions over time, from an emphasis on equities to an emphasis on fixed income securities. When the Fund approaches its end date, the asset mix transitions to a substantially more conservative mix with the majority of assets allocated to fixed income securities and/or money market and cash equivalent securities.

The Fund's assets are passively managed by BlackRock Asset Management Canada Limited ("BlackRock") according to a pre-defined glide path mandate using exchange-traded funds ("ETFs").

### Risk

The risks associated with investing in the Fund remain as described in the prospectus. There were no changes to the Fund during the period that materially affected the overall level of risk associated with an investment in the Fund.

### Results of Operation

As at April 30, 2022 the net asset value of the Fund was \$788 thousand. Investment performance is not provided for a fund that has been available for less than one year.

### Economic Review

As global markets showed signs of recovery from the Covid-19 pandemic, central banks announced their intention to reduce monetary stimulus with the reopening of the economy. In this environment, markets experienced increased inflationary pressures due to supply disruptions, increased global demand, and rising energy prices. The Russian invasion of Ukraine introduced significant uncertainty to the outlook for the global economy, resulting in greater volatility in financial markets and pushed commodity prices higher and further disrupted supply chains. As a result, inflation has increased in most economies, including Canada's. Energy and food prices continue to rise, and ongoing supply constraints are interacting with robust demand to put upward

pressure on prices of goods and services. Despite improvement in employment levels and consumer demand, risks to the economic outlook remain.

The U.S. economy continued to recover from the pandemic with strong GDP growth into 2022. The Federal Reserve continued to maintain the overnight lending rate at 0.25% and announced in late 2021 plans to reduce quantitative easing measures. Unemployment levels improved over the course of the year decreasing from 4.8% in September 2021 to 3.6% as of March 2022. The U.S. Consumer Price Index increased 8.5 percent for the year ended March 2022, the largest 12-month advance since December 1981.

Despite stabilizing in early 2022, Canadian GDP levels remained robust with the Bank of Canada expecting improved growth throughout the remainder of the year. Employment and participation rates continued to improve with the Canadian unemployment rate decreasing to 5.5% in February 2022. Inflation, as measured by the Consumer Price Index (CPI) hit a three-decade high in February 2022, reaching 5.7% on a year-over year basis. The run-up in inflation reflects global factors, such as strong demand and supply chain disruptions. The Bank of Canada increased the overnight lending rate by 0.25% in March followed with a 0.50% hike on April 13, 2022.

With inflation at its highest level in decades combined with the Bank of Canada's 0.75% interest rate hike, yield levels across the maturity curve rose substantially, resulting in sharply negative Canadian fixed income returns. In this environment, the FTSE Canada Universe Bond Index declined by 7.9%, with longer dated maturities such as the FTSE Canada Long Term Bond Index falling 13.8% over the same period. The steep rise in interest rates impacted shorter maturity bonds, with the FTSE Canadian Short-Term Bond Index falling 3.3% over the reporting period.

The majority of global equity markets experienced significant losses over the reporting period as investors sought to lessen their exposure to riskier assets given the crisis in Ukraine, the resurgence of Covid-19 in China, and ongoing supply chain constraints. The S&P 500 (representative of U.S. large cap equities) fell 7.0% (in Canadian dollar terms) over the period with both the Consumer Discretionary and Communication Services sectors experiencing double digit losses. Non-north American equities including the

# CST Spark 2032 Education Portfolio

MSCI EAFE IMI Index and MSCI Emerging Markets IMI Index experienced sharper losses of 9.7% and 10.7%, respectively (both in Canadian dollar terms) as both regions' greater exposure to the market events impacted returns. The Canadian equity market (as represented by the S&P/TSX Capped Composite) outperformed most other major markets in this environment with a return of 0.0% and largely fueled by a 28.5% Energy sector gain.

## Related Party Transactions

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The Fund is managed by C.S.T. Spark Inc. (the "Manager"). The Manager is responsible for the overall management and administration of the Fund, which includes day-to-day management, distribution, and administration, including portfolio management, trustee, record-keeping, accounting, taxation, valuation, distribution, and custody services. The Manager, at its discretion, may outsource some of these functions to third parties, in the best interest of the Fund.

## Management Fees

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As compensation for its services, the Manager is entitled to receive an annual management fee of 1.3% (the "Management

Fee") plus applicable taxes. The Management Fee is calculated daily and payable monthly, in arrears, based on the daily average net asset value ("NAV") of the Fund.

Where a Fund invests in an underlying investment fund, including an exchange traded fund (ETF), the fees and expenses payable by that underlying fund are in addition to the fees and expenses payable by the Fund. No sales or redemption fees, other than brokerage fees, are payable by a Fund when it buys or sells securities of an underlying fund.

The Fund holds ETFs that are managed by BlackRock. The management expense ratios of these ETFs, as reported in their most recent ETF Facts range from 0.06% to 0.72%, for a weighted average cost of 0.20% (per annum including applicable taxes). These fees are not paid directly by you but impact the prices of the ETFs that the Fund holds.

The Manager does not charge a management fee that would be reasonably expected to duplicate a fee payable by the underlying funds in which a Fund invests for the same service.

The Manager, in its sole discretion, may waive or absorb a portion of a Fund's Management Fee. Such waivers or absorptions may be terminated at any time without notice.

During the period, a Management Fee of \$3,120 was paid to the Manager.

# CST Spark 2032 Education Portfolio

## Financial Highlights

For the period ended April 30, 2022

	2022 <sup>4</sup>
	\$
<b>The Fund's Net Assets per Unit<sup>1</sup></b>	
Net assets, beginning of period	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.09
Total expenses	(0.08)
Realized gains (losses)	(0.01)
Unrealized gains (losses)	(1.30)
<b>Total increase (decrease) from operations<sup>2</sup></b>	(1.30)
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	(0.07)
From capital gains	-
Return of capital	-
<b>Total annual distributions<sup>3</sup></b>	(0.07)
<b>Net assets, end of period</b>	8.99
<b>Ratios and Supplemental Data</b>	
Total net asset value (000's)	\$ 788
Number of units outstanding	87,721
Management expense ratio <sup>5</sup>	1.42%
Management expense ratio before waivers or absorption <sup>6</sup>	1.42%
Trading expense ratio <sup>7</sup>	0.12%
Portfolio turnover rate <sup>8</sup>	6.71%
Net asset value per unit	8.99

<sup>1</sup> This information is derived from the Fund's unaudited interim financial report.

<sup>2</sup> Net Assets and Total distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets and accordingly columns may not add.

<sup>3</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.

<sup>4</sup> As at April 30, 2022 or for the period from November 1, 2021 to April 30, 2022, as applicable.

<sup>5</sup> Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>6</sup> The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

<sup>7</sup> The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>8</sup> The Fund's portfolio turnover rate indicates how actively the Fund adviser trades 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 the 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 the Fund.

# CST Spark 2032 Education Portfolio

## Past Performance

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Investment performance is not provided as the Fund has been available for less than one year.

## Summary of Fund Investment Portfolio

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### Portfolio Allocation

as at April 30, 2022

	<b>% of Net Asset Value</b>
U.S. Equity Funds	30.8
Canadian Fixed Income Funds	25.5
Non-North American Equity Funds	20.1
Canadian Equity Funds	9.7
Global Real Estate Funds	7.0
Cash and other	6.9
<b>Total Portfolio Allocation</b>	<b>100.0</b>

### Top 25 Holdings

as at April 30, 2022

The following Top Holdings table shows the 25 largest holdings (or all holdings if the total number of holdings is less than 25).

The prospectus and other information about the underlying investment funds in the portfolio are available at [www.sedar.com](http://www.sedar.com).

<b>Holdings Issuer</b>	<b>% of Net Asset Value</b>
iShares Core S&P 500 Index ETF	30.8
iShares Core MSCI EAFE IMI Index ETF	13.6
iShares Core Canadian Long Term Bond Index ETF	11.5
iShares Core Canadian Universe Bond Index ETF	10.3
iShares Core S&P/TSX Capped Composite Index ETF	9.7
iShares Global Real Estate Index ETF	7.0
iShares Core MSCI Emerging Markets IMI Index ETF	6.5
iShares Canadian Real Return Bond Index ETF	3.7
Cash and other	6.9
<b>Total holdings as a percentage of net asset value</b>	<b>100.0</b>



# CST Spark 2032 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Financial Position

As at April 30, 2022

	2022
<b>Assets</b>	
<b>Current assets</b>	
Cash	\$ 13,008
Investments	734,273
Subscriptions receivable	55,764
	<b>803,045</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Payable for investments purchased	11,145
Management fees payable	3,487
	<b>14,632</b>
<b>Net Assets attributable to holders of redeemable units</b>	<b>\$788,413</b>
<b>Redeemable units outstanding</b> <i>(Note 6)</i>	<b>87,721</b>
<b>Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ 8.99</b>

Approved on behalf of the Board of Directors of the Manager, C.S.T. Spark Inc.

Douglas P. McPhie, FCPA, FCA

Sherry J. MacDonald, CPA, CA

# CST Spark 2032 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Comprehensive Income

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Income</b>	
Other income (loss)	\$ 265
Net gain (loss) on investments	
Distributions from underlying funds	4,512
Net realized gain (loss) on investments	(632)
Net change in unrealized appreciation (depreciation) on investments	(69,495)
Total net gain (loss) on investments	(65,615)
<b>Total income (loss), net</b>	<b>(65,350)</b>
<b>Expenses</b> <i>(Note 8)</i>	
Management fees	3,120
Transaction costs <i>(Note 3)</i>	301
Harmonized sales tax	367
<b>Total operating expenses</b>	<b>3,788</b>
Withholding taxes <i>(Note 7)</i>	(229)
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>\$(69,367)</b>
<b>Weighted average number of units outstanding</b>	<b>53,196</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ (1.30)</b>

# CST Spark 2032 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Net Assets attributable to holders of redeemable units – Beginning of period</b>	<b>\$ –</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>(69,367)</b>
<b>Redeemable unit transactions</b>	
Proceeds from redeemable units issued	879,960
Reinvestments of distributions to holders of redeemable units	1,837
Redemption of redeemable units	(22,142)
<b>Net increase (decrease) from redeemable unit transactions</b>	<b>859,655</b>
<b>Distributions to holders of redeemable units</b>	
From net investment income	(1,872)
From net realized capital gains	(3)
<b>Total distributions to holders of redeemable units</b>	<b>(1,875)</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units during the period</b>	<b>788,413</b>
<b>Net Assets attributable to holders of redeemable units – End of period</b>	<b>\$788,413</b>

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

# CST Spark 2032 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Cash Flows

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<hr/>	
<b>Cash flows from (used in) Operating activities</b>	
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	\$ (69,367)
<b>Adjustments to reconcile to operating cash flows:</b>	
Net realized (gain) loss on investments	632
Net change in unrealized (appreciation) depreciation of investments	69,495
Purchase of investments	(824,890)
Proceeds from investments sold	31,635
Increase (decrease) in management fees payable	3,487
<b>Net cash flows from (used in) operating activities</b>	<b>(789,008)</b>
<hr/>	
<b>Cash flows from (used in) Financing activities</b>	
Proceeds from redeemable units issued	824,196
Redemption of redeemable units	(22,142)
Distributions paid to holders of redeemable units, net of reinvestments	(38)
<b>Net cash flows from (used in) financing activities</b>	<b>802,016</b>
<hr/>	
<b>Increase (decrease) in cash</b>	
Net increase (decrease) in cash	13,008
Cash, beginning of period	-
<b>Cash, end of period</b>	<b>\$ 13,008</b>
<hr/>	

# CST Spark 2032 Education Portfolio

## Schedule of Investment Portfolio (Unaudited)

As at April 30, 2022

	Number of Units	Average Cost (\$)	Fair Value (\$)	Percentage of Net Assets (%)
<b>Exchange-traded funds</b>				
iShares Canadian Real Return Bond Index ETF	1,226	31,872	29,154	3.7
iShares Core Canadian Long Term Bond Index ETF	4,422	104,738	90,872	11.5
iShares Core Canadian Universe Bond Index ETF	2,885	88,805	81,415	10.3
iShares Core MSCI EAFE IMI Index ETF	3,448	120,200	107,474	13.6
iShares Core MSCI Emerging Markets IMI Index ETF	1,981	58,381	51,169	6.5
iShares Core S&P 500 Index ETF	3,684	264,570	242,591	30.8
iShares Core S&P/TSX Capped Composite Index ETF	2,298	78,095	76,087	9.7
iShares Global Real Estate Index ETF	1,732	57,385	55,511	7.0
<b>Total Exchange-traded funds</b>		<b>804,046</b>	<b>734,273</b>	<b>93.1</b>
<b>Embedded Broker Commissions</b> <i>(Note 3)</i>		<b>(278)</b>		
<b>Total Investments</b>		<b>803,768</b>	<b>734,273</b>	<b>93.1</b>
<b>Other Assets Less Liabilities</b>			<b>54,140</b>	<b>6.9</b>
<b>Net Assets attributable to holders of redeemable units</b>			<b>788,413</b>	<b>100.0</b>

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

# CST Spark 2032 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

April 30, 2022

(Unaudited)

These fund specific notes shall be read in conjunction with the accompanying notes to the financial statements which are an integral part of these financial statements. These fund specific notes can be referenced to the accompanying notes by the corresponding note number. Since they are supplemental to the accompanying notes, there may not be a corresponding specific note to match every accompanying note.

### General Information (Note 1)

The CST Spark 2032 Education Portfolio (the “Fund”) is an open-ended investment fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated November 1, 2021.

The investment objective of the Fund is to provide the opportunity for capital appreciation and income for the purpose of funding post-secondary education anticipated to begin between 2031 and 2033.

### Fair Value of Financial Instruments (Note 5)

#### Classification of Investments Under the Fair Value Hierarchy

The table below illustrates the classification of the Fund’s financial instruments measured at fair value at the reporting date. The amounts are based on the values recognized in the Statement of Financial Position.

As at April 30, 2022:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$734,273	\$ -	\$ -	\$734,273
	\$734,273	\$ -	\$ -	\$734,273

There were no transfers of financial assets between Level 1, Level 2 and Level 3 for the period from November 1, 2021 (commencement of operations) to April 30, 2022. All fair value measurements above are recurring.

### Redeemable Units of the Fund (Note 6)

For the period from November 1, 2021 to April 30, 2022, changes in outstanding units were as follows:

Number of Redeemable Units	2022
Balance – Beginning of period	–
Redeemable units issued	89,915
Redeemable units reinvested	182
Redeemable units redeemed	(2,376)
	87,721
Balance – End of period	87,721

### Taxation of Fund (Note 7)

As at December 31, 2021, the Fund had no unused capital or non-capital losses.

### Related Party Transactions and Other Expenses (Note 8)

#### Related party transactions

On November 1, 2021, the Manager purchased 15,001 units of the Fund at per unit price of \$10 for a total consideration of \$150,010. The Manager may not redeem the initial units of the Fund that it purchased on November 1, 2021, until the Fund has received total subscriptions of \$500,000 from other investors.

#### Management fees

Management Fees of 1.3% are charged to the Fund by the Manager.

### Financial Risk Management (Note 9)

#### Currency risk

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

Currency	April 30 2022
Canadian dollar	37.9
U.S. dollar	38.2
Japanese yen	3.8
Chinese yuan	3.1
Euro	3.1
Pound sterling	2.6
Australian dollar	1.8
Other currenties	9.5
Total	100.0

As at April 30, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively by approximately 0.6% or \$4,600. In practice, actual results could differ materially from this sensitivity analysis.

# CST Spark 2032 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

(continued)

April 30, 2022

(Unaudited)

### Financial Risk Management (Note 9) (continued)

#### Interest rate risk

Fixed-income and debt securities, excluding short-term investments, comprise 27.4% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

<b>Maturity schedule</b>	<b>April 30 2022</b>
Less than 1 year	<b>0.1</b>
1-5 years	<b>18.5</b>
5-10 years	<b>14.3</b>
10-15 years	<b>11.8</b>
15-20 years	<b>13.0</b>
> 20 years	<b>42.3</b>
<b>Total</b>	<b>100.0</b>

#### Other price risk

As at April 30, 2022, the Fund is exposed to other price risk to the extent the underlying ETFs invest in securities subject to market fluctuations. Substantially all of the Fund's net assets were exposed to other price risk. If the prices of the securities held by the underlying funds had increased or decreased by 10%, with all other factors

remaining constant, net asset attributable to holders of redeemable units would have increased or decreased by approximately \$73,427. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

Credit-exposed securities, excluding short-term investments, comprise 27.4% of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

<b>Rating</b>	<b>April 30 2022</b>
AAA	<b>35.9</b>
AA	<b>39.9</b>
A	<b>14.8</b>
BB	<b>9.2</b>
Other	<b>0.2</b>
<b>Total</b>	<b>100.0</b>

### Investments in Underlying Funds (Note 10)

The Fund's ownership interest as a percentage of NAV of each of the underlying funds is less than 0.05%. All underlying funds are established and conduct business in Canada.

# CST Spark 2035 Education Portfolio

## Semi-Annual Management Report of Fund Performance

### Introduction

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual financial statements of the Fund. You can obtain a copy of the unaudited semi-annual financial statements at your request, and at no cost, by calling 1-800-461-7100, by writing to us at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8, or by visiting our website at [www.cstspark.ca](http://www.cstspark.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

This management discussion of fund performance presents the portfolio management team's view on the significant factors and developments for the six-month period ended April 30, 2022 (the "period"), that have affected the Fund's performance and outlook.

### Investment Objective and Strategies

The Fund seeks to provide the opportunity for capital appreciation and income for the purposes of funding a post-secondary education anticipated to begin between 2034 and 2036. The Fund will primarily invest in a diversified mix consisting of exchange traded funds providing exposure to fixed income, money market, cash equivalents and equity securities. The actual asset mix of the Fund will be adjusted on a quarterly basis as the investment portfolio transitions over time, from an emphasis on equities to an emphasis on fixed income securities. When the Fund approaches its end date, the asset mix transitions to a substantially more conservative mix with the majority of assets allocated to fixed income securities and/or money market and cash equivalent securities.

The Fund's assets are passively managed by BlackRock Asset Management Canada Limited ("BlackRock") according to a pre-defined glide path mandate using exchange-traded funds ("ETFs").

### Risk

The risks associated with investing in the Fund remain as described in the prospectus. There were no changes to the Fund during the period that materially affected the overall level of risk associated with an investment in the Fund.

### Results of Operation

As at April 30, 2022, the net asset value of the Fund was \$932 thousand. Investment performance is not provided for a fund that has been available for less than one year.

### Economic Review

As global markets showed signs of recovery from the Covid-19 pandemic, central banks announced their intention to reduce monetary stimulus with the reopening of the economy. In this environment, markets experienced increased inflationary pressures due to supply disruptions, increased global demand, and rising energy prices. The Russian invasion of Ukraine introduced significant uncertainty to the outlook for the global economy,

resulting in greater volatility in financial markets and pushed commodity prices higher and further disrupted supply chains. As a result, inflation has increased in most economies, including Canada's. Energy and food prices continue to rise, and ongoing supply constraints are interacting with robust demand to put upward pressure on prices of goods and services. Despite improvement in employment levels and consumer demand, risks to the economic outlook remain.

The U.S. economy continued to recover from the pandemic with strong GDP into 2022. The Federal Reserve continued to maintain the overnight lending rate at 0.25% and announced in late 2021 plans to reduce quantitative easing measures. Unemployment levels improved over the course of the year decreasing from 4.8% in September 2021 to 3.6% as of March 2022. The U.S. Consumer Price Index increased 8.5 percent for the year ended March 2022, the largest 12-month advance since December 1981.

Despite stabilizing in early 2022, Canadian GDP levels remained robust with the Bank of Canada expecting improved growth throughout the remainder of the year. Employment and participation rates continued to improve with the Canadian unemployment rate decreasing to 5.5% in February 2022. Inflation, as measured by the Consumer Price Index (CPI) hit a three-decade high in February 2022, reaching 5.7% on a year-over-year basis. The run-up in inflation reflects global factors, such as strong demand and supply chain disruptions. The Bank of Canada increased the overnight lending rate by 0.25% in March followed with a 0.50% hike on April 13, 2022.

With inflation at its highest level in decades combined with the Bank of Canada's 0.75% interest rate hike, yield levels across the maturity curve rose substantially, resulting in sharply negative Canadian fixed income returns. In this environment, the FTSE Canada Universe Bond Index declined by 7.9%, with longer dated maturities such as the FTSE Canada Long Term Bond Index falling 13.8% over the same period. The steep rise in interest rates impacted shorter maturity bonds, with the FTSE Canadian Short-Term Bond Index falling 3.3% over the reporting period.



# CST Spark 2035 Education Portfolio

The majority of global equity markets experienced significant losses over the reporting period as investors sought to lessen their exposure to riskier assets given the crisis in Ukraine, the resurgence of Covid-19 in China, and ongoing supply chain constraints. The S&P 500 (representative of U.S. large cap equities) fell 7.0% (in Canadian dollar terms) over the period with both the Consumer Discretionary and Communication Services sectors experiencing double digit losses. Non-north American equities including the MSCI EAFE IMI Index and MSCI Emerging Markets IMI Index experienced sharper losses of 9.7% and 10.7%, respectively (both in Canadian dollar terms) as both regions' greater exposure to the market events impacted returns. The Canadian equity market (as represented by the S&P/TSX Capped Composite) outperformed most other major markets in this environment with a return of 0.0% and largely fueled by a 28.5% Energy sector gain.

## Related Party Transactions

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The Fund is managed by C.S.T. Spark Inc. (the "Manager"). The Manager is responsible for the overall management and administration of the Fund, which includes day-to-day management, distribution, and administration, including portfolio management, trustee, record-keeping, accounting, taxation, valuation, distribution, and custody services. The Manager, at its discretion, may outsource some of these functions to third parties, in the best interest of the Fund.

## Management Fees

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As compensation for its services, the Manager is entitled to receive an annual management fee of 1.3% (the "Management Fee") plus applicable taxes. The Management fee is calculated and payable monthly, in arrears, based on the daily average net asset value ("NAV") of the Fund.

Where a Fund invests in an underlying investment fund, including an exchange traded fund (ETF), the fees and expenses payable by that underlying fund are in addition to the fees and expenses payable by the Fund. No sales or redemption fees, other than brokerage fees, are payable by a Fund when it buys or sells securities of an underlying fund.

The Fund holds ETFs that are managed by BlackRock. The management expense ratios of these ETFs, as reported in their most recent ETF Facts range from 0.06% to 0.72%, for a weighted average cost of 0.20% (per annum including applicable taxes). These fees are not paid directly by you but impact the prices of the ETFs that the Fund holds.

The Manager does not charge a management fee that would be reasonably expected to duplicate a fee payable by the underlying funds in which a Fund invests for the same service.

The Manager, in its sole discretion, may waive or absorb a portion of a Fund's Management Fee. Such waivers or absorptions may be terminated at any time without notice.

During the period, a Management Fee of \$3,684 was paid to the Manager.

# CST Spark 2035 Education Portfolio

## Financial Highlights

For the period ended April 30, 2022

	2022 <sup>4</sup> \$
<b>The Fund's Net Assets per Unit<sup>1</sup></b>	
Net assets, beginning of period	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.09
Total expenses	(0.08)
Realized gains (losses)	-
Unrealized gains (losses)	(1.29)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(1.28)</b>
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	(0.07)
From capital gains	-
Return of capital	-
<b>Total annual distributions<sup>3</sup></b>	<b>(0.07)</b>
<b>Net assets, end of period</b>	<b>9.01</b>
<b>Ratios and Supplemental Data</b>	
Total net asset value (000's)	\$ 932
Number of units outstanding	103,485
Management expense ratio <sup>5</sup>	1.42%
Management expense ratio before waivers or absorption <sup>6</sup>	1.42%
Trading expense ratio <sup>7</sup>	0.12%
Portfolio turnover rate <sup>8</sup>	5.31%
Net asset value per unit	9.01

<sup>1</sup> This information is derived from the Fund's unaudited interim financial report.

<sup>2</sup> Net Assets and Total distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets and accordingly columns may not add.

<sup>3</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.

<sup>4</sup> As at April 30, 2022 or for the period from November 1, 2021 to April 30, 2022, as applicable.

<sup>5</sup> Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>6</sup> The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

<sup>7</sup> The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>8</sup> The Fund's portfolio turnover rate indicates how actively the Fund adviser trades 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 the 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 the Fund.

# CST Spark 2035 Education Portfolio

## Past Performance

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Investment performance is not provided as the Fund has been available for less than one year.

## Summary of Fund Investment Portfolio

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### Portfolio Allocation

as at April 30, 2022

	<b>% of Net Asset Value</b>
U.S. Equity Funds	34.7
Non-North American Equity Funds	22.7
Canadian Fixed Income Funds	16.9
Canadian Equity Funds	11.9
Global Real Estate Funds	7.8
Cash and other	6.0
<b>Total Portfolio Allocation</b>	<b>100.0</b>

### Top 25 Holdings

as at April 30, 2022

The following Top Holdings table shows the 25 largest holdings (or all holdings if the total number of holdings is less than 25).

The prospectus and other information about the underlying investment funds in the portfolio are available at [www.sedar.com](http://www.sedar.com).

<b>Holdings Issuer</b>	<b>% of Net Asset Value</b>
iShares Core S&P 500 Index ETF	34.7
iShares Core MSCI EAFE IMI Index ETF	15.3
iShares Core S&P/TSX Capped Composite Index ETF	11.9
iShares Global Real Estate Index ETF	7.8
iShares Core Canadian Long Term Bond Index ETF	7.7
iShares Core MSCI Emerging Markets IMI Index ETF	7.4
iShares Core Canadian Universe Bond Index ETF	6.8
iShares Canadian Real Return Bond Index ETF	2.4
Cash and other	6.0
<b>Total holdings as a percentage of net asset value</b>	<b>100.0</b>

# CST Spark 2035 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Financial Position

As at April 30, 2022

	2022
<b>Assets</b>	
<b>Current assets</b>	
Cash	\$ 9,856
Investments	876,581
Receivable for investments sold	3,347
Subscriptions receivable	57,783
	<b>947,567</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Payable for investments purchased	11,010
Management fees payable	4,110
	<b>15,120</b>
<b>Net Assets attributable to holders of redeemable units</b>	<b>\$932,447</b>
<b>Redeemable units outstanding</b> <i>(Note 6)</i>	<b>103,485</b>
<b>Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ 9.01</b>

Approved on behalf of the Board of Directors of the Manager, C.S.T. Spark Inc.

Douglas P. McPhie, FCPA, FCA

Sherry J. MacDonald, CPA, CA

# CST Spark 2035 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Comprehensive Income

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Income</b>	
Other income (loss)	\$ 614
Net gain (loss) on investments	
Distributions from underlying funds	4,771
Net realized gain (loss) on investments	81
Net change in unrealized appreciation (depreciation) on investments	(80,703)
Total net gain (loss) on investments	(75,851)
<b>Total income (loss), net</b>	<b>(75,237)</b>
<b>Expenses</b> <i>(Note 8)</i>	
Management fees	3,684
Transaction costs <i>(Note 3)</i>	352
Harmonized sales tax	426
<b>Total operating expenses</b>	<b>4,462</b>
Withholding taxes <i>(Note 7)</i>	(276)
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>\$(79,975)</b>
<b>Weighted average number of units outstanding</b>	<b>62,642</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ (1.28)</b>

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

# CST Spark 2035 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Net Assets attributable to holders of redeemable units – Beginning of period</b>	<b>\$ –</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>(79,975)</b>
<b>Redeemable unit transactions</b>	
Proceeds from redeemable units issued	1,024,701
Reinvestments of distributions to holders of redeemable units	2,079
Redemption of redeemable units	(12,230)
<b>Net increase (decrease) from redeemable unit transactions</b>	<b>1,014,550</b>
<b>Distributions to holders of redeemable units</b>	
From net investment income	(2,125)
From net realized capital gains	(3)
<b>Total distributions to holders of redeemable units</b>	<b>(2,128)</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units during the period</b>	<b>932,447</b>
<b>Net Assets attributable to holders of redeemable units – End of period</b>	<b>\$ 932,447</b>

# CST Spark 2035 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Cash Flows

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Cash flows from (used in) Operating activities</b>	
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	\$ (79,975)
<b>Adjustments to reconcile to operating cash flows:</b>	
Net realized (gain) loss on investments	(81)
Net change in unrealized (appreciation) depreciation of investments	80,703
Purchase of investments	(979,074)
Proceeds from investments sold	29,534
Increase (decrease) in management fees payable	4,110
<b>Net cash flows from (used in) operating activities</b>	<b>(944,783)</b>
<b>Cash flows from (used in) Financing activities</b>	
Proceeds from redeemable units issued	966,918
Redemption of redeemable units	(12,230)
Distributions paid to holders of redeemable units, net of reinvestments	(49)
<b>Net cash flows from (used in) financing activities</b>	<b>954,639</b>
<b>Increase (decrease) in cash</b>	
Net increase (decrease) in cash	9,856
Cash, beginning of period	-
<b>Cash, end of period</b>	<b>\$ 9,856</b>

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

# CST Spark 2035 Education Portfolio

## Schedule of Investment Portfolio (Unaudited)

As at April 30, 2022

	Number of Units	Average Cost (\$)	Fair Value (\$)	Percentage of Net Assets (%)
<b>Exchange-traded funds</b>				
iShares Canadian Real Return Bond Index ETF	973	25,243	23,138	2.4
iShares Core Canadian Long Term Bond Index ETF	3,476	82,382	71,432	7.7
iShares Core Canadian Universe Bond Index ETF	2,253	69,351	63,580	6.8
iShares Core MSCI EAFE IMI Index ETF	4,566	159,347	142,322	15.3
iShares Core MSCI Emerging Markets IMI Index ETF	2,668	78,640	68,914	7.4
iShares Core S&P 500 Index ETF	4,908	353,125	323,191	34.7
iShares Core S&P/TSX Capped Composite Index ETF	3,360	114,219	111,250	11.9
iShares Global Real Estate Index ETF	2,270	75,308	72,754	7.8
<b>Total Exchange-traded funds</b>		<b>957,615</b>	<b>876,581</b>	<b>94.0</b>
<b>Embedded Broker Commissions</b> <i>(Note 3)</i>		<b>(331)</b>		
<b>Total Investments</b>		<b>957,284</b>	<b>876,581</b>	<b>94.0</b>
<b>Other Assets Less Liabilities</b>			<b>55,866</b>	<b>6.0</b>
<b>Net Assets attributable to holders of redeemable units</b>			<b>932,447</b>	<b>100.0</b>



# CST Spark 2035 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

April 30, 2022

(Unaudited)

These fund specific notes shall be read in conjunction with the accompanying notes to the financial statements which are an integral part of these financial statements. These fund specific notes can be referenced to the accompanying notes by the corresponding note number. Since they are supplemental to the accompanying notes, there may not be a corresponding specific note to match every accompanying note.

### General Information (Note 1)

The CST Spark 2035 Education Portfolio (the “Fund”) is an open-ended investment fund established under the laws of the province of Ontario pursuant to a declaration of trust dated November 1, 2021.

The investment objective of the Fund is to provide the opportunity for capital appreciation and income for the purpose of funding post-secondary education anticipated to begin between 2034 and 2036.

### Fair Value of Financial Instruments (Note 5)

#### Classification of investments under the Fair Value Hierarchy

The table below illustrates the classification of the Fund’s financial instruments measured at fair value at the reporting date. The amounts are based on the values recognized in the Statement of Financial Position.

As at April 30, 2022:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$876,581	\$ -	\$ -	\$876,581
	\$876,581	\$ -	\$ -	\$876,581

There were no transfers of financial assets between Level 1, Level 2 and Level 3 for the period from November 1, 2021 (commencement of operations) to April 30, 2022. All fair value measurements above are recurring.

### Redeemable Units of the Fund (Note 6)

For the period from November 1, 2021 to April 30, 2022, changes in outstanding units were as follows:

Number of Redeemable Units	2022
Balance – Beginning of period	-
Redeemable units issued	104,565
Redeemable units reinvested	207
Redeemable units redeemed	(1,287)
	103,485
Balance – End of period	103,485

### Taxation of Fund (Note 7)

As at December 31, 2021, the Fund had no unused capital or non-capital losses.

### Related Party Transactions and Other Expenses (Note 8)

#### Related party transactions

On November 1, 2021, the Manager purchased 15,001 units of the Fund at per unit price of \$10 for a total consideration of \$150,010. The Manager may not redeem the initial units of the Fund that it purchased on November 1, 2021, until the Fund has received total subscriptions of \$500,000 from other investors.

#### Management Fees

Management Fees of 1.3% are charged to the Fund by the Manager.

### Financial Risk Management (Note 9)

#### Currency risk

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

Currency	April 30 2022
Canadian dollar	30.9
U.S. dollar	42.4
Japanese yen	4.3
Chinese yuan	3.5
Euro	3.4
Pound sterling	2.9
Australian dollar	1.9
Other currenties	10.7
Total	100.0

As at April 30, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively by approximately 0.7% or \$6,100. In practice, actual results could differ materially from this sensitivity analysis.

# CST Spark 2035 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

(continued)

April 30, 2022

(Unaudited)

### Financial Risk Management (Note 9) (continued)

#### Interest rate risk

Fixed-income and debt securities, excluding short-term investments, comprise 18.1% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Maturity schedule	April 30 2022
Less than 1 year	0.1
1-5 years	18.4
5-10 years	14.2
10-15 years	11.9
15-20 years	13.1
> 20 years	42.3
Total	100.0

#### Other price risk

As at April 30, 2022, the Fund is exposed to other price risk to the extent the underlying ETFs invest in securities subject to market fluctuations. Substantially all of the Fund's net assets were exposed to other price risk. If the prices of the securities held by the underlying funds had increased or decreased by 10%, with all other factors

remaining constant, net asset attributable to holders of redeemable units would have increased or decreased by approximately \$87,658. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

Credit-exposed securities, excluding short-term investments, comprise 18.1% of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	April 30 2022
AAA	36.0
AA	39.9
A	14.8
BB	9.1
Other	0.2
Total	100.0

### Investments in Underlying Funds (Note 10)

The Fund's ownership interest as a percentage of NAV of each of the underlying funds is less than 0.05%. All underlying funds are established and conduct business in Canada.

# CST Spark 2038 Education Portfolio

## Semi-Annual Management Report of Fund Performance

### Introduction

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual financial statements of the Fund. You can obtain a copy of the unaudited semi-annual financial statements at your request, and at no cost, by calling 1-800-461-7100, by writing to us at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8, or by visiting our website at [www.cstspark.ca](http://www.cstspark.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

This management discussion of fund performance presents the portfolio management team's view on the significant factors and developments for the six-month period ended April 30, 2022 (the "period"), that have affected the Fund's performance and outlook.

### Investment Objective and Strategies

The Fund seeks to provide the opportunity for capital appreciation and income for the purposes of funding a post-secondary education anticipated to begin between 2037 and 2039. The Fund will primarily invest in a diversified asset mix consisting of exchange trade funds providing exposure to fixed income, money market, cash equivalents and equity securities. The actual asset mix of the Fund will be adjusted on a quarterly basis as the investment portfolio transitions over time, from an emphasis on equities to an emphasis on fixed income securities. When the Fund approaches its end date, the asset mix transitions to a substantially more conservative mix with the majority of assets allocated to fixed income securities and/or money market and cash equivalent securities.

The Fund's assets are passively managed by BlackRock Asset Management Canada Limited ("BlackRock") according to a pre-defined glide path mandate using exchange-traded funds ("ETFs").

### Risk

The risks associated with investing in the Fund remain as described in the prospectus. There were no changes to the Fund during the period that materially affected the overall level of risk associated with an investment in the Fund.

### Results of Operation

As at April 30, 2022, the net asset value of the Fund was \$981 thousand. Investment performance is not provided for a fund that has been available for less than one year.

### Economic Review

As global markets showed signs of recovery from the Covid-19 pandemic, central banks announced their intention to reduce monetary stimulus with the reopening of the economy. In this environment, markets experienced increased inflationary pressures due to supply disruptions, increased global demand, and rising energy prices. The Russian invasion of Ukraine introduced significant uncertainty to the outlook for the global economy, resulting in greater volatility in financial markets and pushed commodity prices higher and further disrupted supply chains. As a result, inflation has increased in most economies, including Canada's. Energy and food prices continue to rise, and ongoing supply constraints are interacting with robust demand to put upward

pressure on prices of goods and services. Despite improvement in employment levels and consumer demand, risks to the economic outlook remain.

The U.S. economy continued to recover from the pandemic with strong GDP growth maintained into 2022. The Federal Reserve continued to maintain the overnight lending rate at 0.25% and announced in late 2021 plans to reduce quantitative easing measures. Unemployment levels improved over the course of the year decreasing from 4.8% in September 2021 to 3.6% as of March 2022. The U.S. Consumer Price Index increased 8.5 percent for the year ended March 2022, the largest 12-month advance since December 1981.

Despite stabilizing in early 2022, Canadian GDP levels remained robust with the Bank of Canada expecting improved growth throughout the remainder of the year. Employment and participation rates continued to improve with the Canadian unemployment rate decreasing to 5.5% in February 2022. Inflation, as measured by the Consumer Price Index (CPI), hit a three-decade high in February 2022, reaching 5.7% on a year-over year basis. The run-up in inflation reflects global factors, such as strong demand and supply chain disruptions. The Bank of Canada increased the overnight lending rate by 0.25% in March followed with a 0.50% hike on April 13, 2022.

With inflation at its highest level in decades combined with the Bank of Canada's 0.75% interest rate hike, yield levels across the maturity curve rose substantially, resulting in sharply negative Canadian fixed income returns. In this environment, the FTSE Canada Universe Bond Index declined by 7.9%, with longer dated maturities such as the FTSE Canada Long Term Bond Index falling 13.8% over the same period. The steep rise in interest rates impacted shorter maturity bonds, with the FTSE Canadian Short-Term Bond Index falling 3.3% over the reporting period.

The majority of global equity markets experienced significant losses over the reporting period as investors sought to lessen their exposure to riskier assets given the crisis in Ukraine, the resurgence of Covid-19 in China, and ongoing supply chain constraints. The S&P 500 (representative of U.S. large cap equities) fell 7.0% (in Canadian dollar terms) over the period with both the Consumer Discretionary and Communication Services sectors experiencing double digit losses. Non-north American equities including the

# CST Spark 2038 Education Portfolio

MSCI EAFE IMI Index and MSCI Emerging Markets IMI Index experienced sharper losses of 9.7% and 10.7%, respectively (both in Canadian dollar terms) as both regions' greater exposure to the market events impacted returns. The Canadian equity market (as represented by the S&P/TSX Capped Composite) outperformed most other major markets in this environment with a return of 0.0% and largely fueled by a 28.5% Energy sector gain.

## Related Party Transactions

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The Fund is managed by C.S.T. Spark Inc. (the "Manager"). The Manager is responsible for the overall management and administration of the Fund, which includes day-to-day management, distribution, and administration, including portfolio management, trustee, record-keeping, accounting, taxation, valuation, distribution, and custody services. The Manager, at its discretion, may outsource some of these functions to third parties, in the best interest of the Fund.

## Management Fees

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As compensation for its services, the Manager is entitled to receive an annual management fee of 1.3% (the "Management

Fee") plus applicable taxes. The Management Fee is calculated daily and payable monthly, in arrears, based on the daily average net asset value ("NAV") of the Fund.

Where a Fund invests in an underlying investment fund, including an exchange traded fund (ETF), the fees and expenses payable by that underlying fund are in addition to the fees and expenses payable by the Fund. No sales or redemption fees, other than brokerage fees, are payable by a Fund when it buys or sells securities of an underlying fund.

The Fund holds ETFs that are managed by BlackRock. The management expense ratios of these ETFs, as reported in their most recent ETF Facts range from 0.06% to 0.72%, for a weighted average cost of 0.20% (per annum including applicable taxes). These fees are not paid directly by you but impact the prices of the ETFs that the Fund holds.

The Manager does not charge a management fee that would be reasonably expected to duplicate a fee payable by the underlying funds in which a Fund invests for the same service.

The Manager, in its sole discretion, may waive or absorb a portion of a Fund's Management Fee. Such waivers or absorptions may be terminated at any time without notice.

During the period, a Management Fee of \$3,651 was paid to the Manager.

# CST Spark 2038 Education Portfolio

## Financial Highlights

For the period ended April 30, 2022

	2022 <sup>4</sup> \$
<b>The Fund's Net Assets per Unit<sup>1</sup></b>	
Net assets, beginning of period	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.08
Total expenses	(0.08)
Realized gains (losses)	-
Unrealized gains (losses)	(1.22)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(1.22)</b>
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	(0.07)
From capital gains	-
Return of capital	-
<b>Total annual distributions<sup>3</sup></b>	<b>(0.07)</b>
<b>Net assets, end of period</b>	<b>9.05</b>
<b>Ratios and Supplemental Data</b>	
Total net asset value (000's)	\$ 981
Number of units outstanding	108,399
Management expense ratio <sup>5</sup>	1.42%
Management expense ratio before waivers or absorption <sup>6</sup>	1.42%
Trading expense ratio <sup>7</sup>	0.12%
Portfolio turnover rate <sup>8</sup>	4.69%
Net asset value per unit	9.05

<sup>1</sup> This information is derived from the Fund's unaudited interim financial report.

<sup>2</sup> Net Assets and Total distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets and accordingly columns may not add.

<sup>3</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.

<sup>4</sup> As at April 30, 2022 or for the period from November 1, 2021 to April 30, 2022, as applicable.

<sup>5</sup> Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>6</sup> The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

<sup>7</sup> The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>8</sup> The Fund's portfolio turnover rate indicates how actively the Fund adviser trades 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 the 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 the Fund.

# CST Spark 2038 Education Portfolio

## Past Performance

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Investment performance is not provided as the Fund has been available for less than one year.

## Summary of Fund Investment Portfolio

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### Portfolio Allocation

as at April 30, 2022

	<b>% of Net Asset Value</b>
U.S. Equity Funds	35.6
Non-North American Equity Funds	23.5
Canadian Equity Funds	14.4
Canadian Fixed Income Funds	10.3
Global Real Estate Funds	8.4
Cash and other	7.8
<b>Total Portfolio Allocation</b>	<b>100.0</b>

### Top 25 Holdings

as at April 30, 2022

The following Top Holdings table shows the 25 largest holdings (or all holdings if the total number of holdings is less than 25).

The prospectus and other information about the underlying investment funds in the portfolio are available at [www.sedar.com](http://www.sedar.com).

<b>Holdings Issuer</b>	<b>% of Net Asset Value</b>
iShares Core S&P 500 Index ETF	35.6
iShares Core MSCI EAFE IMI Index ETF	16.0
iShares Core S&P/TSX Capped Composite Index ETF	14.4
iShares Core MSCI Emerging Markets IMI Index ETF	7.5
iShares Global Real Estate Index ETF	8.4
iShares Core Canadian Long Term Bond Index ETF	4.6
iShares Core Canadian Universe Bond Index ETF	4.1
iShares Canadian Real Return Bond Index ETF	1.6
Cash and other	7.8
<b>Total holdings as a percentage of net asset value</b>	<b>100.0</b>

# CST Spark 2038 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Financial Position

As at April 30, 2022

	2022
<b>Assets</b>	
<b>Current assets</b>	
Cash	\$ 5,953
Investments	904,333
Subscriptions receivable	78,121
	<b>988,407</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Payable for investments purchased	3,645
Management fees payable	4,074
	<b>7,719</b>
<b>Net Assets attributable to holders of redeemable units</b>	<b>\$980,688</b>
<b>Redeemable units outstanding</b> <i>(Note 6)</i>	<b>108,399</b>
<b>Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ 9.05</b>

Approved on behalf of the Board of Directors of the Manager, C.S.T. Spark Inc.

Douglas P. McPhie, FCPA, FCA

Sherry J. MacDonald, CPA, CA

# CST Spark 2038 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Comprehensive Income

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Income</b>	
Other income (loss)	\$ 657
Net gain (loss) on investments	
Distributions from underlying funds	4,490
Net realized gain (loss) on investments	148
Net change in unrealized appreciation (depreciation) on investments	(76,491)
Total net gain (loss) on investments	(71,853)
<b>Total income (loss), net</b>	<b>(71,196)</b>
<b>Expenses</b> <i>(Note 8)</i>	
Management fees	3,651
Transaction costs <i>(Note 3)</i>	357
Harmonized sales tax	423
<b>Total operating expenses</b>	<b>4,431</b>
Withholding taxes <i>(Note 7)</i>	(281)
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>\$(75,908)</b>
<b>Weighted average number of units outstanding</b>	<b>62,005</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ (1.22)</b>



# CST Spark 2038 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Net Assets attributable to holders of redeemable units – Beginning of period</b>	<b>\$ –</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>(75,908)</b>
<b>Redeemable unit transactions</b>	
Proceeds from redeemable units issued	1,057,364
Reinvestments of distributions to holders of redeemable units	2,106
Redemption of redeemable units	(699)
<b>Net increase (decrease) from redeemable unit transactions</b>	<b>1,058,771</b>
<b>Distributions to holders of redeemable units</b>	
From net investment income	(2,123)
From net realized capital gains	(52)
<b>Total distributions to holders of redeemable units</b>	<b>(2,175)</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units during the period</b>	<b>980,688</b>
<b>Net Assets attributable to holders of redeemable units – End of period</b>	<b>\$ 980,688</b>

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

# CST Spark 2038 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Cash Flows

For the period from November 1, 2021

(commencement of operations) to April 30, 2022

	2022
<b>Cash flows from (used in) Operating activities</b>	
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	\$ (75,908)
<b>Adjustments to reconcile to operating cash flows:</b>	
Net realized (gain) loss on investments	(148)
Net change in unrealized (appreciation) depreciation of investments	76,491
Purchase of investments	(1,003,226)
Proceeds from investments sold	26,195
Increase (decrease) in management fees payable	4,074
<b>Net cash flows from (used in) operating activities</b>	<b>(972,522)</b>
<b>Cash flows from (used in) Financing activities</b>	
Proceeds from redeemable units issued	979,243
Redemption of redeemable units	(699)
Distributions paid to holders of redeemable units, net of reinvestments	(69)
<b>Net cash flows from (used in) financing activities</b>	<b>978,475</b>
<b>Increase (decrease) in cash</b>	
Net increase (decrease) in cash	5,953
Cash, beginning of period	-
<b>Cash, end of period</b>	<b>\$ 5,953</b>

# CST Spark 2038 Education Portfolio

## Schedule of Investment Portfolio (Unaudited)

As at April 30, 2022

	Number of Units	Average Cost (\$)	Fair Value (\$)	Percentage of Net Assets (%)
<b>Exchange-traded funds</b>				
iShares Canadian Real Return Bond Index ETF	641	16,635	15,243	1.6
iShares Core Canadian Long Term Bond Index ETF	2,194	52,040	45,087	4.6
iShares Core Canadian Universe Bond Index ETF	1,436	44,244	40,524	4.1
iShares Core MSCI EAFE IMI Index ETF	5,025	174,281	156,628	16.0
iShares Core MSCI Emerging Markets IMI Index ETF	2,860	83,862	73,874	7.5
iShares Core S&P 500 Index ETF	5,296	379,562	348,742	35.6
iShares Core S&P/TSX Capped Composite Index ETF	4,276	145,202	141,578	14.4
iShares Global Real Estate Index ETF	2,579	85,337	82,657	8.4
<b>Total Exchange-traded funds</b>		<b>981,163</b>	<b>904,333</b>	<b>92.2</b>
<b>Embedded Broker Commissions</b> <i>(Note 3)</i>		<b>(339)</b>		
<b>Total Investments</b>		<b>980,824</b>	<b>904,333</b>	<b>92.2</b>
<b>Other Assets Less Liabilities</b>			<b>76,355</b>	<b>7.8</b>
<b>Net Assets attributable to holders of redeemable units</b>			<b>980,688</b>	<b>100.0</b>

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

# CST Spark 2038 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

April 30, 2022

(Unaudited)

These fund specific notes shall be read in conjunction with the accompanying notes to the financial statements which are an integral part of these financial statements. These fund specific notes can be referenced to the accompanying notes by the corresponding note number. Since they are supplemental to the accompanying notes, there may not be a corresponding specific note to match every accompanying note.

### General Information (Note 1)

The CST Spark 2038 Education Portfolio (the “Fund”) is an open-ended investment fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated November 1, 2021

The investment objective of the Fund is to provide the opportunity for capital appreciation and income for the purpose of funding post-secondary education anticipated to begin between 2037 and 2039.

### Fair Value of Financial Instruments (Note 5)

#### Classification of investments under the Fair Value Hierarchy

The table below illustrates the classification of the Fund’s financial instruments measured at fair value at the reporting date. The amounts are based on the values recognized in the Statement of Financial Position.

As at April 30, 2022:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$904,333	\$ -	\$ -	\$904,333
	\$904,333	\$ -	\$ -	\$904,333

There were no transfers of financial assets between Level 1, Level 2 and Level 3 for the period from November 1, 2021 (commencement of operations) to April 30, 2022. All fair value measurements above are recurring.

### Redeemable Units of the Fund (Note 6)

For the period from November 1, 2021 to April 30, 2022, changes in outstanding units were as follows:

Number of Redeemable Units	2022
Balance – Beginning of period	-
Redeemable units issued	108,262
Redeemable units reinvested	210
Redeemable units redeemed	(73)
	108,399
Balance – End of period	108,399

### Taxation of Fund (Note 7)

As at December 31, 2021, the Fund had no unused capital or non-capital losses.

### Related Party Transactions and Other Expenses (Note 8)

#### Related party transactions

On November 1, 2021, the Manager purchased 15,001 units of the Fund at per unit price of \$10 for a total consideration of \$150,010. The Manager may not redeem the initial units of the Fund that it purchased on November 1, 2021, until the Fund has received total subscriptions of \$500,000 from other investors.

#### Management Fees

Management Fees of 1.3% are charged to the Fund by the Manager.

### Financial Risk Management (Note 9)

#### Currency risk

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

Currency	April 30 2022
Canadian dollar	26.9
U.S. dollar	44.8
Japanese yen	4.6
Chinese yuan	3.6
Euro	3.6
Pound sterling	3.2
Australian dollar	2.1
Other currenties	11.2
Total	100.0

As at April 30, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively by approximately 0.7% or \$6,600. In practice, actual results could differ materially from this sensitivity analysis.

# CST Spark 2038 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

(continued)

April 30, 2022

(Unaudited)

### Financial Risk Management (Note 9) (continued)

#### Interest rate risk

Fixed-income and debt securities, excluding short-term investments, comprise 11.2% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Maturity schedule	April 30 2022
Less than 1 year	0.1
1-5 years	18.5
5-10 years	14.3
10-15 years	11.9
15-20 years	13.0
> 20 years	42.2
Total	100.0

#### Other price risk

As at April 30, 2022, the Fund is exposed to other price risk to the extent the underlying ETFs invest in securities subject to market fluctuations. Substantially all of the Fund's net assets were exposed to other price risk. If the prices of the securities held by the underlying funds had increased or decreased by 10%, with all other factors

remaining constant, net asset attributable to holders of redeemable units would have increased or decreased by approximately \$90,433. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

Credit-exposed securities, excluding short-term investments, comprise 11.2% of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	April 30 2022
AAA	36.5
AA	39.6
A	14.6
BB	9.1
Other	0.2
Total	100.0

### Investments in Underlying Funds (Note 10)

The Fund's ownership interest as a percentage of NAV of each of the underlying funds is less than 0.05%. All underlying funds are established and conduct business in Canada.

# CST Spark 2041 Education Portfolio

## Semi-Annual Management Report of Fund Performance

### Introduction

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual financial statements of the Fund. You can obtain a copy of the unaudited semi-annual financial statements at your request, and at no cost, by calling 1-800-461-7100, by writing to us at 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8, or by visiting our website at [www.cstspark.ca](http://www.cstspark.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

This management discussion of fund performance presents the portfolio management team's view on the significant factors and developments for the period January 5 to April 30, 2022 (the "period"), that have affected the Fund's performance and outlook.

### Investment Objective and Strategies

The Fund seeks to provide the opportunity for capital appreciation and income for the purposes of funding a post-secondary education anticipated to begin between 2040 and 2042. The Fund primarily invests in a diversified asset mix consisting of exchange traded funds providing exposure to fixed income, money market, cash equivalents and equity securities. The actual asset mix of the Fund will be adjusted on a quarterly basis as the investment portfolio transitions over time, from an emphasis on equities to an emphasis on fixed income securities. When the Fund approaches its end date, the asset mix transitions to a substantially more conservative mix with the majority of assets allocated to fixed income securities and/or money market and cash equivalent securities.

The Fund's assets are passively managed by BlackRock Asset Management Canada Limited ("BlackRock") according to a pre-defined glide path mandate using exchange-traded funds ("ETFs").

### Risk

The risks associated with investing in the Fund remain as described in the prospectus. There were no changes to the Fund during the period that materially affected the overall level of risk associated with an investment in the Fund.

### Results of Operation

As at April 30, 2022 net asset value of the Fund was \$140 thousand. Investment performance is not provided for a fund that has been available for less than one year.

### Economic Review

As global markets showed signs of recovery from the Covid-19 pandemic, central banks announced their intention to reduce monetary stimulus with the reopening of the economy. In this environment, markets experienced increased inflationary pressures due to supply disruptions, increased global demand, and rising energy prices. The Russian invasion of Ukraine introduced significant uncertainty to the outlook for the global economy, resulting in greater volatility in financial markets and pushed commodity prices higher and further disrupted supply chains. As a result, inflation has increased in most economies, including Canada's. Energy and food prices continue to rise, and ongoing supply constraints are interacting with robust demand to put upward

pressure on prices of goods and services. Despite improvement in employment levels and consumer demand, risks to the economic outlook remain.

The U.S. economy continued to recover from the pandemic with strong GDP growth into 2022. The Federal Reserve continued to maintain the overnight lending rate at 0.25% and announced in late 2021 plans to reduce quantitative easing measures. Unemployment levels improved over the course of the year decreasing from 4.8% in September 2021 to 3.6% as of March 2022. The U.S. Consumer Price Index increased 8.5 percent for the year ended March 2022, the largest 12-month advance since December 1981.

Despite stabilizing in early 2022, Canadian GDP levels remained robust with the Bank of Canada expecting improved growth throughout the remainder of the year. Employment and participation rates continued to improve with the Canadian unemployment rate decreasing to 5.5% in February 2022. Inflation, as measured by the Consumer Price Index (CPI), hit a three-decade high in February 2022, reaching 5.7% on a year-over year basis. The run-up in inflation reflects global factors, such as strong demand and supply chain disruptions. The Bank of Canada increased the overnight lending rate by 0.25% in March followed with a 0.50% hike on April 13, 2022.

With inflation at its highest level in decades combined with the Bank of Canada's 0.75% interest rate hike, yield levels across the maturity curve rose substantially, resulting in sharply negative Canadian fixed income returns. In this environment, the FTSE Canada Universe Bond Index declined by 7.9%, with longer dated maturities such as the FTSE Canada Long Term Bond Index falling 13.8% over the same period. The steep rise in interest rates impacted shorter maturity bonds, with the FTSE Canadian Short-Term Bond Index falling 3.3% over the reporting period.

The majority of global equity markets experienced significant losses over the reporting period as investors sought to lessen their exposure to riskier assets given the crisis in Ukraine, the resurgence of Covid-19 in China, and ongoing supply chain constraints. The S&P 500 (representative of U.S. large cap equities) fell 7.0% (in Canadian dollar terms) over the period with both the Consumer Discretionary and Communication Services sectors experiencing double digit losses. Non-north American equities including the

# CST Spark 2041 Education Portfolio

MSCI EAFE IMI Index and MSCI Emerging Markets IMI Index experienced sharper losses of 9.7% and 10.7%, respectively (both in Canadian dollar terms) as both regions' greater exposure to the market events impacted returns. The Canadian equity market (as represented by the S&P/TSX Capped Composite) outperformed most other major markets in this environment with a return of 0.0% and largely fueled by a 28.5% Energy sector gain.

## Related Party Transactions

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The Fund is managed by C.S.T. Spark Inc. (the "Manager"). The Manager is responsible for the overall management and administration of the Fund, which includes day-to-day management, distribution, and administration, including portfolio management, trustee, record-keeping, accounting, taxation, valuation, distribution, and custody services. The Manager, at its discretion, may outsource some of these functions to third parties, in the best interest of the Fund.

## Management Fees

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As compensation for its services, the Manager is entitled to receive an annual management fee of 1.3% (the "Management

Fee") plus applicable taxes. The Management Fee is calculated daily and payable monthly, in arrears, based on the daily average net asset value ("NAV") of the Fund.

Where a Fund invests in an underlying investment fund, including an exchange traded fund (ETF), the fees and expenses payable by that underlying fund are in addition to the fees and expenses payable by the Fund. No sales or redemption fees, other than brokerage fees, are payable by a Fund when it buys or sells securities of an underlying fund.

The Fund holds ETFs that are managed by BlackRock. The management expense ratios of these ETFs, as reported in their most recent ETF Facts range from 0.06% to 0.72%, for a weighted average cost of 0.20% (per annum including applicable taxes). These fees are not paid directly by you but impact the prices of the ETFs that the Fund holds.

The Manager does not charge a management fee that would be reasonably expected to duplicate a fee payable by the underlying funds in which a Fund invests for the same service.

The Manager, in its sole discretion, may waive or absorb a portion of a Fund's Management Fee. Such waivers or absorptions may be terminated at any time without notice.

During the period, a Management Fee of \$560 was paid to the Manager.

# CST Spark 2041 Education Portfolio

## Financial Highlights

For the period ended April 30, 2022

	2022 <sup>4</sup> \$
<b>The Fund's Net Assets per Unit<sup>1</sup></b>	
<b>Net assets, beginning of period</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>	
Total revenue	0.02
Total expenses	(0.05)
Realized gains (losses)	-
Unrealized gains (losses)	(0.87)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.89)</b>
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	-
From capital gains	-
Return of capital	-
<b>Total annual distributions<sup>3</sup></b>	<b>-</b>
<b>Net assets, end of period</b>	<b>9.11</b>
<b>Ratios and Supplemental Data</b>	
Total net asset value (000's)	\$ 140
Number of units outstanding	15,329
Management expense ratio <sup>5</sup>	1.40%
Management expense ratio before waivers or absorption <sup>6</sup>	1.40%
Trading expense ratio <sup>7</sup>	0.12%
Portfolio turnover rate <sup>8</sup>	2.88%
Net asset value per unit	9.11

<sup>1</sup> This information is derived from the Fund's unaudited interim financial report.

<sup>2</sup> Net Assets and Total distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets and accordingly columns may not add.

<sup>3</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.

<sup>4</sup> As at April 30, 2022 or for the period from January 4, 2022 to April 30, 2022, as applicable.

<sup>5</sup> Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>6</sup> The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

<sup>7</sup> The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>8</sup> The Fund's portfolio turnover rate indicates how actively the Fund adviser trades 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 the 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 the Fund.



# CST Spark 2041 Education Portfolio

## Past Performance

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Investment performance is not provided as the Fund has been available for less than one year.

## Summary of Fund Investment Portfolio

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### Portfolio Allocation

as at April 30, 2022

	<b>% of Net Asset Value</b>
U.S. Equity Funds	37.3
Non-North American Equity Funds	24.5
Canadian Equity Funds	17.1
Canadian Fixed Income Funds	10.7
Global Real Estate Funds	9.1
Cash and other	1.3
<b>Total Portfolio Allocation</b>	<b>100.0</b>

### Top 25 Holdings

as at April 30, 2022

The following Top Holdings table shows the 25 largest holdings (or all holdings if the total number of holdings is less than 25).

The prospectus and other information about the underlying investment funds in the portfolio are available at [www.sedar.com](http://www.sedar.com).

<b>Holdings Issuer</b>	<b>% of Net Asset Value</b>
iShares Core S&P 500 Index ETF	37.3
iShares Core S&P/TSX Capped Composite Index ETF	17.1
iShares Core MSCI EAFE IMI Index ETF	16.7
iShares Global Real Estate Index ETF	9.1
iShares Core MSCI Emerging Markets IMI Index ETF	7.8
iShares Core Canadian Long Term Bond Index ETF	4.6
iShares Core Canadian Universe Bond Index ETF	4.4
iShares Canadian Real Return Bond Index ETF	1.7
Cash and other	1.3
<b>Total holdings as a percentage of net asset value</b>	<b>100.0</b>

# CST Spark 2041 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Financial Position

As at April 30, 2022

	2022
<b>Assets</b>	
<b>Current assets</b>	
Cash	\$ 588
Investments	137,812
Subscriptions receivable	1,980
	<b>140,380</b>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Payable for investments purchased	67
Management fees payable	633
	<b>700</b>
<b>Net Assets attributable to holders of redeemable units</b>	<b>\$139,680</b>
<b>Redeemable units outstanding</b> <i>(Note 6)</i>	<b>15,329</b>
<b>Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ 9.11</b>

Approved on behalf of the Board of Directors of the Manager, C.S.T. Spark Inc.

Douglas P. McPhie, FCPA, FCA

Sherry J. MacDonald, CPA, CA

# CST Spark 2041 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Comprehensive Income

For the period from January 4, 2022

(commencement of operations) to April 30, 2022

	2022
<hr/>	
<b>Income</b>	
Other income (loss)	\$ (5)
Net gain (loss) on investments	
Distributions from underlying funds	344
Net realized gain (loss) on investments	3
Net change in unrealized appreciation (depreciation) on investments	(13,018)
<hr/>	
Total net gain (loss) on investments	(12,671)
<hr/>	
<b>Total income (loss), net</b>	<b>(12,676)</b>
<hr/>	
<b>Expenses</b> <i>(Note 8)</i>	
Management fees	560
Transaction costs <i>(Note 3)</i>	55
Harmonized sales tax	73
<hr/>	
<b>Total operating expenses</b>	<b>688</b>
<hr/>	
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>\$(13,364)</b>
<hr/>	
<b>Weighted average number of units outstanding</b>	<b>15,039</b>
<hr/>	
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units per unit</b>	<b>\$ (0.89)</b>
<hr/>	

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

# CST Spark 2041 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from January 4, 2022

(commencement of operations) to April 30, 2022

	2022
<b>Net Assets attributable to holders of redeemable units – Beginning of period</b>	<b>\$ –</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units from operations</b>	<b>(13,364)</b>
<b>Redeemable unit transactions</b>	
Proceeds from redeemable units issued	153,044
<b>Net increase (decrease) from redeemable unit transactions</b>	<b>153,044</b>
<b>Increase (decrease) in Net Assets attributable to holders of redeemable units during the period</b>	<b>139,680</b>
<b>Net Assets attributable to holders of redeemable units – End of period</b>	<b>\$139,680</b>

# CST Spark 2041 Education Portfolio

Unaudited Semi-Annual Financial Statements

## Statement of Cash Flows

For the period from January 4, 2022

(commencement of operations) to April 30, 2022

	2022
<b>Cash flows from (used in) Operating activities</b>	
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	\$ (13,364)
<b>Adjustments to reconcile to operating cash flows:</b>	
Net realized (gain) loss on investments	(3)
Net change in unrealized (appreciation) depreciation of investments	13,018
Purchase of investments	(154,056)
Proceeds from investments sold	3,297
Increase (decrease) in management fees payable	633
<b>Net cash flows from (used in) operating activities</b>	<b>(150,475)</b>
<b>Cash flows from (used in) Financing activities</b>	
Proceeds from redeemable units issued	151,064
<b>Net cash flows from (used in) financing activities</b>	<b>151,064</b>
<b>Increase (decrease) in cash</b>	
Net increase (decrease) in cash	589
Cash, beginning of period	-
<b>Cash, end of period</b>	<b>\$ 588</b>

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

# CST Spark 2041 Education Portfolio

## Schedule of Investment Portfolio (Unaudited)

As at April 30, 2022

	Number of Units	Average Cost (\$)	Fair Value (\$)	Percentage of Net Assets (%)
<b>Exchange-traded funds</b>				
iShares Canadian Real Return Bond Index ETF	97	2,536	2,307	1.7
iShares Core Canadian Long Term Bond Index ETF	316	7,622	6,494	4.6
iShares Core Canadian Universe Bond Index ETF	217	6,730	6,124	4.4
iShares Core MSCI EAFE IMI Index ETF	748	26,349	23,315	16.7
iShares Core MSCI Emerging Markets IMI Index ETF	424	12,331	10,952	7.8
iShares Core S&P 500 Index ETF	791	57,784	52,087	37.3
iShares Core S&P/TSX Capped Composite Index ETF	722	24,226	23,905	17.1
iShares Global Real Estate Index ETF	394	13,305	12,628	9.1
<b>Total Exchange-traded funds</b>		<b>150,883</b>	<b>137,812</b>	<b>98.7</b>
<b>Embedded Broker Commissions</b> <i>(Note 3)</i>		<b>(53)</b>		
<b>Total Investments</b>		<b>150,830</b>	<b>137,812</b>	<b>98.7</b>
<b>Other Assets Less Liabilities</b>			<b>1,868</b>	<b>1.3</b>
<b>Net Assets attributable to holders of redeemable units</b>			<b>139,680</b>	<b>100.0</b>

# CST Spark 2041 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

April 30, 2022

(Unaudited)

These fund specific notes shall be read in conjunction with the accompanying notes to the financial statements which are an integral part of these financial statements. These fund specific notes can be referenced to the accompanying notes by the corresponding note number. Since they are supplemental to the accompanying notes, there may not be a corresponding specific note to match every accompanying note.

### General Information (Note 1)

The CST Spark 2041 Education Portfolio (the “Fund”) is an open-ended investment fund established under the laws of the Province of Ontario pursuant to a declaration of trust dated January 4, 2022.

The investment objective of the Fund is to provide the opportunity for capital appreciation and income for the purpose of funding post-secondary education anticipated to begin between 2040 and 2042.

### Fair Value of Financial Instruments (Note 5)

#### Classification of investments under the Fair Value Hierarchy

The table below illustrates the classification of the Fund’s financial instruments measured at fair value at the reporting date. The amounts are based on the values recognized in the Statement of Financial Position.

As at April 30, 2022:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$137,812	\$ -	\$ -	\$137,812
	\$137,812	\$ -	\$ -	\$137,812

There were no transfers of financial assets between Level 1, Level 2 and Level 3 for the period from January 4, 2022 (commencement of operations) to April 30, 2022. All fair value measurements above are recurring.

### Redeemable Units of the Fund (Note 6)

For the period from January 4, 2022 to April 30, 2022, changes in outstanding units were as follows:

Number of Redeemable Units	2022
Balance – Beginning of period	–
Redeemable units issued	15,329
Redeemable units reinvested	–
Redeemable units redeemed	–
	15,329
Balance – End of period	15,329

### Taxation of Fund (Note 7)

As at December 31, 2021, the Fund had no unused capital or non-capital losses.

### Related Party Transactions and Other Expenses (Note 8)

#### Related party transactions

On January 4, 2022, the Manager purchased 15,001 units of the Fund at per unit price of \$10 for a total consideration of \$150,010. The Manager may not redeem the initial units of the Fund that it purchased on January 4, 2022, until the Fund has received total subscriptions of \$500,000 from other investors.

#### Management Fees

Management Fees of 1.3% are charged to the Fund by the Manager.

### Financial Risk Management (Note 9)

#### Currency risk

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

Currency	April 30 2022
Canadian dollar	28.3
U.S. dollar	44.0
Japanese yen	4.5
Euro	3.6
Chinese yuan	3.6
Pound sterling	3.0
Australian dollar	2.0
Other currenties	11.0
Total	100.0

As at April 30, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively by approximately 7.1% or \$9,900. In practice, actual results could differ materially from this sensitivity analysis.

# CST Spark 2041 Education Portfolio

## Notes to Financial Statements – Fund Specific Information

(continued)

April 30, 2022

(Unaudited)

### Financial Risk Management (Note 9) (continued)

#### Interest rate risk

Fixed-income and debt securities, excluding short-term investments, comprise 10.8% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

<b>Maturity schedule</b>	<b>April 30 2022</b>
Less than 1 year	<b>0.1</b>
1-5 years	<b>19.0</b>
5-10 years	<b>14.7</b>
10-15 years	<b>11.8</b>
15-20 years	<b>12.8</b>
> 20 years	<b>41.6</b>
<b>Total</b>	<b>100.0</b>

#### Other price risk

As at April 30, 2022, the Fund is exposed to other price risk to the extent the underlying ETFs invest in securities subject to market fluctuations. Substantially all of the Fund's net assets were exposed to other price risk. If the prices of the securities held by the underlying funds had increased or decreased by 10%, with all other factors

remaining constant, net asset attributable to holders of redeemable units would have increased or decreased by approximately \$13,781. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

#### Credit risk

Credit-exposed securities, excluding short-term investments, comprise 81.5% of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

<b>Rating</b>	<b>April 30 2022</b>
AAA	<b>36.9</b>
AA	<b>39.2</b>
A	<b>14.6</b>
BB	<b>9.1</b>
Other	<b>0.2</b>
<b>Total</b>	<b>100.0</b>

### Investments in Underlying Funds (Note 10)

The Fund's ownership interest as a percentage of NAV of each of the underlying funds is less than 0.05%. All underlying funds are established and conduct business in Canada.



# CST Spark Education Portfolios

## Generic Notes to Financial Statements

April 30, 2022

(Unaudited)

These notes shall be read in conjunction with the accompanying fund specific notes which are an integral part of these financial statements.

### 1. General information

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The investment activities of the below funds, each a “Fund” and collectively the “Funds”, are managed by C.S.T. Spark Inc. (the “Manager”):

- CST Spark Graduation Portfolio
- CST Spark 2026 Education Portfolio
- CST Spark 2029 Education Portfolio
- CST Spark 2032 Education Portfolio
- CST Spark 2035 Education Portfolio
- CST Spark 2038 Education Portfolio
- CST Spark 2041 Education Portfolio

The Funds will invest primarily in a diversified mix of Exchange Traded Funds (“ETFs”) providing exposure to fixed income, money market, cash equivalents and equity securities.

The fundamental investment objective of the Funds may not be changed without the approval of majority vote of the Fund’s unitholders represented at a meeting called for the purpose.

The address of the Funds’ registered office is 2235 Sheppard Avenue East, Suite 1600, Toronto, Ontario M2J 5B8.

The Trustee of the Funds is RBC Investor Services Trust.

The Funds may issue an unlimited number of Units of an unlimited number of series. Currently only Series A have been issued.

### 2. Basis of presentation

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#### (a) Statement of compliance:

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”), including International Accounting Standard 34: Interim Financial Reporting, as issued by the International Accounting Standards Board. The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit and loss. The financial statements were authorized for issue by the Manager’s Board of Directors on June 8, 2022.

#### (b) Functional and presentational currency:

The Funds’ subscriptions, redemptions and certain operating activities are denominated in Canadian dollars, which is also their functional and presentation currency.

#### (c) Financial period:

The information provided in these financial statements and notes thereto is as at April 30, 2022, and for the six-month period

ended April 30, 2022, except for Funds established during the period, in which case the information for the Fund is provided for the period from the start date as described in the Notes to Financial Statements – Fund Specific Information of the Fund.

This is the first reporting period for the Funds and no comparative information is available.

### 3. Significant accounting policies

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The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### (a) Financial instruments:

The Fund initially records financial instruments at fair value. The Fund’s investments transactions are accounted for on the trade date. The Fund classifies and measures financial instruments in accordance with IFRS 9 Financial Instruments (“IFRS 9”). Upon initial recognition, financial instruments are either classified at amortized cost, or fair value through profit or loss (“FVTPL”), or fair value through other comprehensive income (“FVOCI”). Financial instruments are subsequently measured as FVTPL or amortized cost with changes in fair value or amortized cost recognized in the Statement of Comprehensive Income.

The Funds’ obligations for Net Assets attributable to holders of redeemable units are presented at the redemption amount. All other financial assets and liabilities are initially recognized at fair value and subsequently measured at amortized cost. Under this method, financial assets and liabilities reflect the amounts required to be received or paid, discounted when appropriate, at the financial instrument’s effective interest rate. The fair values of the Funds’ financial assets and liabilities that are not carried at FVTPL approximate their carrying amounts due to their short-term nature.

The net asset value (“NAV”) per unit is determined by dividing the aggregate market value of the net assets of the Fund by the total number of units of the Fund outstanding before giving effect to redemptions or subscriptions to units on that day.

Distributions from income trusts and pooled funds are recognized when the Fund has earned the right to receive payment of the distributions. The cost of investments is determined using the average cost method.

#### (b) Redeemable units of the Funds:

Units of the Funds are offered for sale on a continuous basis and may be purchased or redeemed on any valuation day at the NAV per unit. A valuation day is any day that the Toronto Stock Exchange is open for trading or such other time as the Manager may from time to time determine to be a day for valuation for any Fund.

Unitholders of each Fund are entitled to a contractual obligation of annual distribution of any net income and net realized capital gains by the Fund. This annual distribution can be in cash or reinvested in the units of the Fund at the option of

# CST Spark Education Portfolios

## Generic Notes to Financial Statements (continued)

April 30, 2022

(Unaudited)

### 3. Significant accounting policies (continued)

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#### (b) Redeemable units of the Funds: (continued)

the unitholders. Consequently, the outstanding redeemable units of each Fund are classified as financial liabilities in accordance with the requirements of International Accounting Standard 32 Financial Instruments: Presentation.

The Funds' obligation for net assets attributable to holders of redeemable units is presented at the redemption amount, which approximates fair value and is payable if the holder exercises the right to put the units back to the Funds.

#### (c) Increase (decrease) in net assets attributable to holders of redeemable units per class unit:

The increase (decrease) in Net Assets attributable to holders of redeemable units per unit is calculated by dividing the increase (decrease) in Net Assets attributable to holders of redeemable units by the weighted average number of units outstanding during the period.

#### (d) Cash:

Cash includes cash in hand and bank indebtedness. Bank indebtedness are shown in current liabilities in the Statements of Financial Position.

#### (e) Foreign exchange:

Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses on foreign denominated assets and liabilities other than investments are presented separately in the Statements of Comprehensive Income. Foreign currency gains and losses on investments are included in the Net realized gain (loss) on investments and Net change in unrealized appreciation (depreciation) on investments in the Statements of Comprehensive Income.

#### (f) Transaction costs:

Transaction costs such as brokerage commissions incurred in the purchase and sale of securities are expensed as incurred and are recognized in the Statements of Comprehensive Income.

#### (g) Investments in underlying funds and unconsolidated structured entities:

Underlying funds are valued on each business day at their net asset value as reported by the underlying funds' managers.

In determining whether an exchange-traded fund in which a Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, the Fund is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured

entity or of an associate. The Funds have assessed the characteristics of these underlying funds and have concluded that they do not meet the definition of either a structured entity or of an associate because the Funds do not have contracts or financing arrangements with these underlying funds and the Funds do not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

#### (h) New standards and interpretations not yet adopted:

The Funds have determined there are no IFRS standards that are issued but not yet effective that could materially impact the Funds' financial statements.

### 4. Critical accounting estimates and judgements

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The preparation of financial statements in conformity with IFRS requires the Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

### 5. Fair value of financial instruments

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The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Funds classify fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

*Level 1:* Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

*Level 2:* Inputs other than quoted prices included within Level 1 that are observable either directly or indirectly; and

*Level 3:* Inputs that are unobservable.

### 6. Redeemable units of the Funds

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Redeemable units of the Funds are offered to the public by way of simplified prospectus. Redeemable units of the Funds are redeemable at the option of the unitholders in accordance with the provisions of the declaration of trust at their net asset value per unit and do not have any nominal or par value.

The Funds have no restrictions or specific capital requirements on the subscription and redemption of units. The relevant movements are shown on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. In accordance with the objectives

# CST Spark Education Portfolios

## Generic Notes to Financial Statements (continued)

April 30, 2022

(Unaudited)

### 6. Redeemable units of the Funds (continued)

and risk management policies outlined in Note 9, the Funds endeavour to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions. Liquidity is supported by the disposal of marketable securities when necessary.

Unitholders have the right to make an election to receive cash instead of additional units on the payment of a distribution by each Fund by written notification to the Trustee.

### 7. Taxation of the Fund

The Funds qualify as open-ended mutual fund trusts or unit trusts under the Income Tax Act (Canada). In general, the Funds are subject to income tax; however, no income tax is payable on net income and/or net realized capital gains which are distributed to unitholders. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. In addition, for mutual fund trusts, income taxes payable on net realized capital gains are refundable on a formula basis when units of the Funds are redeemed. It is the intention of the Funds to pay out all net income and realized capital gains each year so that the Funds will not be subject to income taxes. Accordingly, no provision for income taxes is recorded.

### 8. Related party transactions

Each Fund pays an annual management fee (the “Management Fee”) that is calculated and payable monthly in arrears based on the daily average NAV for each Fund during the relevant month and is subject to harmonized sales tax and other applicable taxes. The Manager is responsible for the overall management and administration of the Fund.

The Manager may, from time to time in its discretion, waive or absorb a portion of the Management Fee charged at any given time.

### 9. Financial risk management

The Manager is responsible for managing each Fund’s assets, which consist primarily of financial instruments.

A Fund’s investment activities expose it to a variety of financial risks. Manager seeks to minimize potential adverse effects of these risks on a Fund’s performance by employing professional, experienced portfolio managers, daily monitoring of the Fund’s holdings and market events, diversifying its investment portfolio within the constraints of its investment objectives and, in some cases, periodically hedging certain risk exposures through the use of derivatives. To assist in managing risks, the Manager also uses internal guidelines,

maintains a governance structure that oversees each Fund’s investment activities and monitors compliance with the Fund’s investment strategies, internal guidelines and securities regulations.

Financial instrument risk, as applicable to a Fund, is disclosed in its Notes to Financial Statements — Fund Specific Information. These risks include a Fund’s direct risks and pro rata exposure to the risks of underlying funds, as applicable.

#### Currency risk

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of a Fund, will fluctuate due to changes in foreign exchange rates. The value of investments denominated in a currency other than the functional currency is affected by changes in the value of the functional currency in relation to the value of the currency in which the investment is denominated. When the value of the functional currency falls in relation to foreign currencies, then the value of the foreign investments rises. When the value of the functional currency rises, the value of the foreign investments falls. The currency risk as disclosed in the Fund Specific Information in the Notes to Financial Statements represents the monetary and non-monetary foreign exchange exposure of a Fund.

#### Interest rate risk

Interest rate risk is the risk of a change in the fair value or cash flows of a Fund’s investments in interest-bearing financial instruments due to fluctuations in market interest rates. There is an inverse relationship between changes in interest rates and changes in the fair value of interest-bearing securities.

#### Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. Factors specific to an individual investment, its issuer or other factors affecting all instruments traded in a market or market segment affect other price risk. The Funds have indirect exposure to other price risk arising from investment in the underlying ETFs which invest in equity securities.

#### Credit risk

Credit risk refers to the ability of the issuer of debt securities to make interest payments and repay principal. The Funds are exposed to indirect credit risk to the extent that the underlying ETFs are invested in debt instruments and preferred securities.

#### Liquidity risk

Liquidity risk is the possibility that investments in a Fund cannot be readily converted into cash when required. A Fund is exposed to daily cash redemptions of redeemable units. Liquidity risk is managed by investing the majority of a Fund’s assets in investments that are traded in an active market and that can be readily disposed. Each Fund maintains sufficient liquidity to fund

# CST Spark Education Portfolios

## Generic Notes to Financial Statements (continued)

April 30, 2022

(Unaudited)

### **9. Financial risk management (continued)**

#### **Liquidity risk (continued)**

anticipated redemptions. All non-derivative financial liabilities, other than redeemable units, are due within one year.

#### **Concentration risk**

Concentration risk arises as a result of net financial instrument exposures to the same category, such as geographical region, asset type, and industry sector or market segment. Financial instruments in the same category have similar characteristics and may be affected similarly by changes in economic or other conditions.

#### **Capital risk management**

The capital of each Fund is represented by the net assets attributable to holders of redeemable units. The amount of net assets attributable to holders of redeemable units can change significantly subject to the amount and frequency of subscriptions and redemptions at the discretion of unitholders. On any trading day, unitholders may redeem units of any of the Funds for cash at a redemption price per unit equal to the respective NAV of the Fund.

### **10. Investments in underlying funds**

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The Funds invest in exchange-traded funds (“ETFs”) which provide access to the returns of stock indices, bond indices, or a basket of assets and are intended to replicate the economic effects that would apply had the Funds directly purchased the underlying reference asset or basket of assets. An investment in an ETF is subject to all of the risks of investing in the securities held by the ETF.

The Funds account for their investments in these ETFs at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, as applicable, represents the maximum exposure to losses at that date.

During the period ended April 30, 2022, the Funds did not provide financial support to underlying funds and has no intention of providing financial or other support.

# CST Spark Education Portfolios

## **Investment Fund Manager**

C.S.T. Spark Inc.  
2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

## **Trustee**

RBC Investor Services Trust  
155 Wellington Street West, 2<sup>nd</sup> Floor  
Toronto, ON M5V 3L3

## **Auditor**

Deloitte LLP  
Bay Adelaide East  
8 Adelaide Street West, Suite 200  
Toronto, Ontario M5H 0A9

## **Bank**

Royal Bank of Canada  
Royal Bank Plaza  
South Tower  
200 Bay Street, 10<sup>th</sup> Floor  
Toronto, Ontario M5J 2J5

