

For the six months ended March 31, 2019

MANAGEMENT REPORT OF FUND PERFORMANCE
NCM NORREP FUND



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This interim management report of fund performance contains financial highlights but does not contain the interim financial statements of the investment fund. You can get a copy of the Fund's financial statements at your request, and at no cost, by calling toll free (877) 531-9355, by writing us at 1850, 333-7th Avenue SW Calgary, Alberta T2P 2Z1 or by visiting our website at www.ncminvestments.com or SEDAR at www.sedar.com.

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

RESULTS OF OPERATIONS

When thinking back to the six month period ended March 31, 2019, the phrase "it was the best of times, it was the worst of times", comes to mind with the TSX Total Return Index down 10.1% in Q4/18 and then up 13.3% in Q1/19. While many people would think that Q4/18 would fall into the "worst of times" category, it has proven to be the "best of times" for investors to deploy cash into the equity markets. With a large cash position going into Q4/18, the Fund was able to take advantage of the market turmoil and add to high-conviction investments that were unfairly punished during the final few months of 2018. The small cap segment of the market presented some of the best risk-reward opportunities during this time, as the broad-based market turmoil in Q4/18, combined with the underperformance of small cap stocks over the past few years, resulted in valuations levels not seen in many years.

For the six month period ended March 31, 2019 the Fund's return was negative 4.8%, outperforming its benchmark, the BMO Small Cap Total Return Index, which was down 6.8%. While the Fund was not able to overcome the continued underperformance of the small cap market, it did outperform its benchmark thanks to the Fund's high cash position going into Q4/18 as well as sector allocation, namely an increased exposure to the mid-cap market. With continued liquidity challenges in the small cap market, the mid-cap market had presented a number of interesting investment opportunities, which the Fund capitalized on over the past few years and in turn benefited from in 2018.

While the continued underperformance of the small cap sector has been frustrating and it is difficult to predict a catalyst for this trend to reverse, we do not think that small caps can be ignored much longer given where valuation levels have gotten too. If investors do not recognize the value, strategic players will. We have started to see the initial signs of this happening with a number of merger and acquisition transactions in the sector. As always, we continue to be bottom-up investors as we focus on superior stock selection to contribute to outperformance in both bull and bear markets. Our focus remains on building a portfolio of high-quality cash flow generative companies with attractive long-term growth opportunities and valuations.

For the six months ended March 31, 2019, the Fund earned interest and dividend income amounting to \$81,900 and \$498,850, respectively. The change in unrealized depreciation in current value of investments was a decrease of \$2,758,122. The realized loss on investments was \$173,499. Management fees of \$494,785 were paid. General and administrative costs of \$186,671, related to the operation of the Fund, were also incurred. As a

RESULTS OF OPERATIONS (continued)

result of the above, the decrease in net assets attributable to holders of redeemable units was \$3,032,327. Net assets attributable to holders of redeemable units at the beginning of the period were \$57,144,070. Proceeds from the issuance of units were \$1,228,106; reinvestment of distributions was \$3,103,696 and redemptions were \$3,071,230. Distributions declared to holders of redeemable units were \$3,375,944. By March 31, 2019, the Fund had net assets attributable to holders of redeemable units of \$51,996,371.

RELATED PARTY TRANSACTIONS

Management fees of \$494,785 were paid to NCM Asset Management Ltd. ("NCM"), formerly named Norrep Capital Management Ltd., the Fund's Manager and Portfolio Manager. Management fees are 2% for the Series A and 1.25% for the Series F, of the series net asset value of the Fund and are calculated and paid monthly. Series R units are only available for investment by the NCM Funds and other funds and accounts managed or advised by the Manager and/or its affiliates and are not available for public purchase. There is no management fee attached to Series R. Administration fees of \$44,129 were paid to NCM. Administration fees are charged by NCM at or below cost and relate to accounting, trading, recordkeeping, compliance and other administrative costs.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund's Series A units and are intended to help you understand the Fund's financial performance for the fiscal periods indicated. This information is derived from the Fund's audited annual financial statements and unaudited interim financial statements.

| Net asset value (NAV) per unit ⁽¹⁾ – Series A | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|-------------|-------------|-------------|-------------|-------------|
| Net Asset Value, beginning of period | \$36.89 | \$38.28 | \$35.56 | \$34.00 | \$39.57 |
| Increase (decrease) from operations: | | | | | |
| Total revenue | 0.37 | 0.74 | 0.44 | 0.76 | 0.66 |
| Total expenses | (0.44) | (0.87) | (0.95) | (0.91) | (0.91) |
| Realized gains (losses) for the period | (0.10) | 3.27 | 5.13 | 1.17 | 2.30 |
| Unrealized gains (losses) for the period | (1.81) | (2.49) | (1.09) | 0.46 | (3.63) |
| Total increase (decrease) from operations | (1.98) | 0.65 | 3.53 | 1.48 | (1.58) |
| Distributions: | | | | | |
| From income | Nil | Nil | Nil | Nil | Nil |
| From dividends | Nil | Nil | Nil | Nil | Nil |
| From capital gains | (2.22) | (2.08) | (0.88) | Nil | (3.82) |
| Total distributions ⁽²⁾ | (2.22) | (2.08) | (0.88) | Nil | (3.82) |
| Net Asset Value, end of period ⁽³⁾ | \$32.51 | \$36.89 | \$38.28 | \$35.56 | \$34.00 |

(1) This information is provided as at March 31, 2019 for the current period, September 30 for 2018 and October 31 for the preceding periods presented. The information is in accordance with International Financial Reporting Standards. The opening net asset value for 2015 was restated in accordance with International Financial Reporting Standards.

(2) Distributions, if any, are reinvested in additional units or paid in cash when requested.

(3) Net asset value and 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. Due to the different methods of calculating individual components of the table, the sum of the individual components will not necessarily equal the ending net asset value.

| Ratios and Supplemental Data – Series A ⁽¹⁾ | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|-------------|-------------|-------------|-------------|-------------|
| Net Assets (000's of \$) | 48,183 | 54,230 | 60,538 | 70,852 | 89,614 |
| Number of units outstanding | 1,481,961 | 1,469,941 | 1,581,473 | 1,992,542 | 2,635,505 |
| Management expense ratio (MER) ⁽²⁾ | 2.54% | 2.51% | 2.46% | 2.44% | 2.36% |
| MER before waivers or absorptions ⁽²⁾ | 2.54% | 2.51% | 2.46% | 2.44% | 2.36% |
| Portfolio turnover rate ⁽³⁾ | 16.91% | 18.71% | 31.29% | 48.72% | 23.96% |
| Trading expense ratio ⁽⁴⁾ | 0.19% | 0.12% | 0.20% | 0.21% | 0.17% |
| Net asset value per unit | \$32.51 | \$36.89 | \$38.28 | \$35.56 | \$34.00 |

(1) This information is provided as at March 31, 2019 for the current period, September 30 for 2018 and October 31 for the preceding periods presented. The information is in accordance with International Financial Reporting Standards.

(2) Management expense ratio (MER) is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset value of the period.

(3) The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of a period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and performance of the Fund.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

FINANCIAL HIGHLIGHTS (continued)

The following tables show selected key financial information about the Fund's Series F units and are intended to help you understand the Fund's financial performance for the fiscal periods indicated. This information is derived from the Fund's audited annual financial statements and unaudited interim financial statements.

| Net asset value (NAV) per unit ^{(1) (2)} – Series F | 2019 | 2018 | 2017 | 2016 | 2015 ⁽⁴⁾ |
|---|-------------|-------------|-------------|-------------|----------------------------|
| Net Asset Value, beginning of period | \$37.91 | \$39.05 | \$36.02 | \$34.21 | \$37.07 |
| Increase (decrease) from operations: | | | | | |
| Total revenue | 0.38 | 0.72 | 0.44 | 0.72 | 0.22 |
| Total expenses | (0.32) | (0.62) | (0.68) | (0.66) | (0.20) |
| Realized gains (losses) for the period | (0.10) | 2.62 | 5.04 | 1.09 | 0.75 |
| Unrealized gains (losses) for the period | (1.68) | (2.28) | (1.33) | 1.88 | (1.19) |
| Total increase (decrease) from operations | (1.72) | 0.44 | 3.47 | 3.03 | (0.42) |
| Distributions: | | | | | |
| From income | Nil | Nil | Nil | Nil | Nil |
| From dividends | Nil | Nil | Nil | Nil | Nil |
| From capital gains | (2.28) | (2.12) | (0.89) | Nil | Nil |
| Total distributions ⁽²⁾ | (2.28) | (2.12) | (0.89) | Nil | Nil |
| Net Asset Value, end of period ⁽³⁾ | \$33.55 | \$37.91 | \$39.05 | \$36.02 | \$34.21 |

(1) This information is provided as at March 31, 2019 for the current period, September 30 for 2018 and October 31 for the preceding periods presented and is in accordance with International Financial Reporting Standards. The opening net asset value for 2015 was restated in accordance with International Financial Reporting Standards.

(2) Distributions, if any, are reinvested in additional units or paid in cash when requested.

(3) Net asset value and 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. Due to the different methods of calculating individual components of the table, the sum of the individual components will not necessarily equal the ending net asset value.

(4) NCM Norrep Fund Series F commenced operations July 6, 2015.

| Ratios and Supplemental Data – Series F ⁽¹⁾ | 2019 | 2018 | 2017 | 2016 | 2015 ⁽⁵⁾ |
|---|-------------|-------------|-------------|-------------|----------------------------|
| Net Assets (000's of \$) | 2,894 | 2,914 | 6,996 | 9,499 | 3,489 |
| Number of units outstanding | 86,263 | 76,880 | 179,185 | 263,719 | 101,982 |
| Management expense ratio (MER) ⁽²⁾ | 1.79% | 1.77% | 1.71% | 1.74% | 1.66% |
| MER before waivers or absorptions ⁽²⁾ | 1.79% | 1.77% | 1.71% | 1.74% | 1.66% |
| Portfolio turnover rate ⁽³⁾ | 16.91% | 18.71% | 31.29% | 48.72% | 23.96% |
| Trading expense ratio ⁽⁴⁾ | 0.19% | 0.12% | 0.20% | 0.21% | 0.17% |
| Net asset value per unit | \$33.55 | \$37.91 | \$39.05 | \$36.02 | \$34.21 |

(1) This information is provided as at March 31, 2019 for the current period, September 30 for 2018 and October 31 for the preceding periods presented and is in accordance with International Financial Reporting Standards.

(2) The management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets of the period.

(3) The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of a period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and performance of the Fund.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

(5) NCM Norrep Fund Series F commenced operations July 6, 2015.

FINANCIAL HIGHLIGHTS (continued)

The following tables show selected key financial information about the Fund's Series R units and are intended to help you understand the Fund's financial performance for the fiscal period indicated. This information is derived from the Fund's unaudited interim financial statements.

| Net asset value (NAV) per unit ⁽¹⁾⁽²⁾ – Series R | 2019 ⁽⁴⁾ |
|--|----------------------------|
| Net Asset Value, beginning of period | \$37.96 |
| Increase (decrease) from operations: | |
| Total revenue | 0.43 |
| Total expenses | (0.08) |
| Realized gains (losses) for the period | (1.05) |
| Unrealized gains (losses) for the period | 2.33 |
| Total increase (decrease) from operations | 1.63 |
| Distributions: | |
| From income | Nil |
| From dividends | Nil |
| From capital gains | (2.29) |
| Total distributions ⁽²⁾ | (2.29) |
| Net Asset Value, end of period ⁽³⁾ | \$33.79 |

(1) This information is provided as at March 31, 2019 in accordance with International Financial Reporting Standards.

(2) Distributions, if any, are reinvested in additional units or paid in cash when requested.

(3) Net asset value and 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. Due to the different methods of calculating individual components of the table, the sum of the individual components will not necessarily equal the ending net asset value.

(4) NCM Norrep Fund Series R commenced operations October 1, 2018.

| Ratios and Supplemental Data – Series R ⁽¹⁾ | 2019 ⁽⁵⁾ |
|---|----------------------------|
| Net Assets (000's of \$) | 919 |
| Number of units outstanding | 27,195 |
| Management expense ratio (MER) ⁽²⁾ | 0.44% |
| MER before waivers or absorptions ⁽²⁾ | 0.44% |
| Portfolio turnover rate ⁽³⁾ | 16.91% |
| Trading expense ratio ⁽⁴⁾ | 0.19% |
| Net asset value per unit | \$33.79 |

(1) This information is provided as at March 31, 2019 in accordance with International Financial Reporting Standards.

(2) The management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets of the period.

(3) The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of a period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and performance of the Fund.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

(5) NCM Norrep Fund Series R commenced operations October 1, 2018.

MANAGEMENT FEES

The Fund pays an annual management fee of 2% for the Series A, and 1.25% for the Series F, multiplied by the net asset value of the Fund, to NCM, the Fund's Manager and Portfolio Manager. The management fee is calculated and paid monthly. There is no management fee attached to Series R. For the period ended March 31, 2019 management fees amounted to \$494,785. NCM paid servicing commissions of \$179,048 (i.e. 36.19%) from these management fees to investment dealers. NCM also received fees for portfolio management and administrative services with respect to this Fund as well as all the other funds in the NCM group.

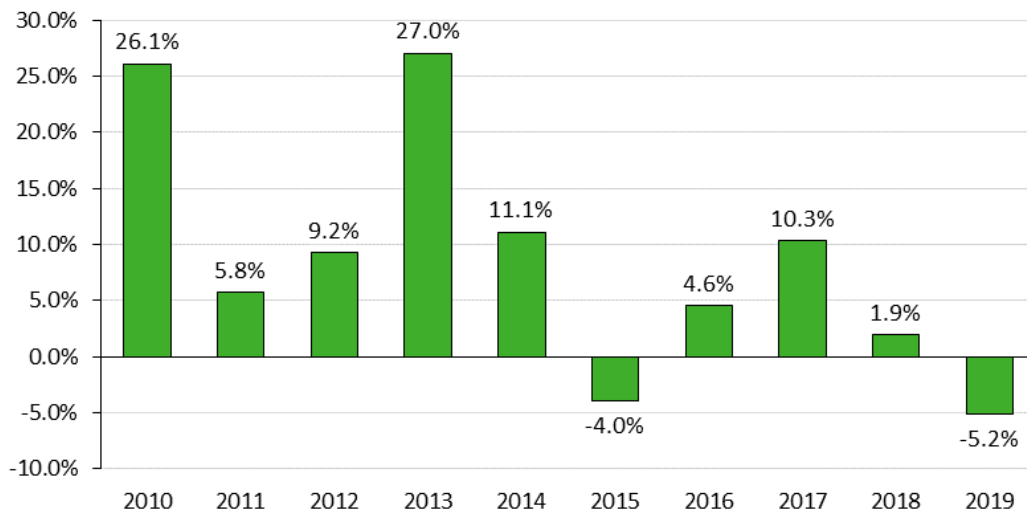
PAST PERFORMANCE

The charts below illustrate the performance of the Fund for its last 10 fiscal years as a public mutual fund. The Series F inception was July 6, 2015. These charts reflect the performance you would have received if you invested in the Fund on the first day of the year through the last day of the year.

They assume that all distributions made by the Fund in the years shown are reinvested in additional securities of the Fund. They do not take into account sales, redemption, distribution or other optional charges which would have reduced returns or performance. Each year the Fund's performance has changed and past performance does not guarantee future performance.

YEAR BY YEAR RETURNS

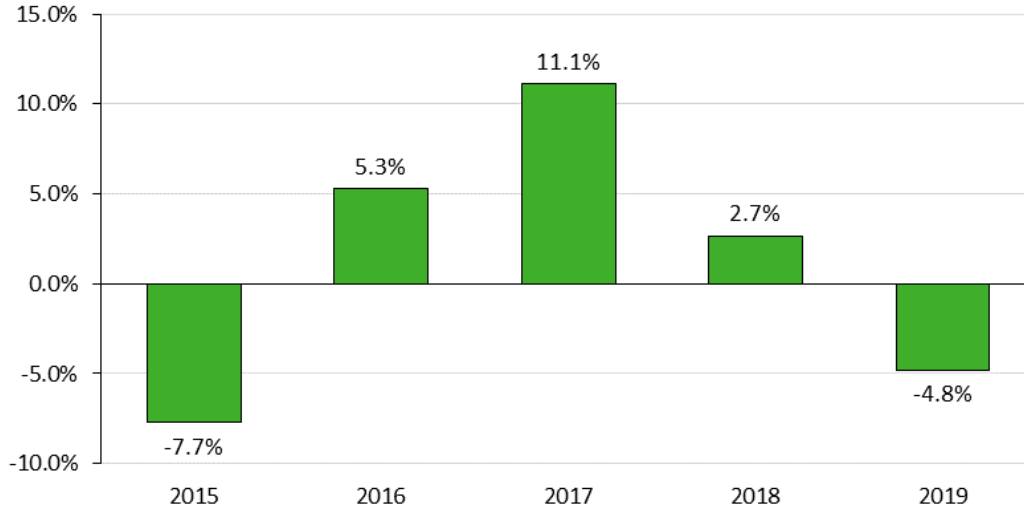
Series A



* November 1 to October 31 until 2017, after which 2018 is from November 1 to September 30, and 2019 is from October 1 to March 31.

YEAR BY YEAR RETURNS (continued)

Series F



* July 6, 2015 to October 31, 2015, and November 1 to October 31 until 2017, after which 2018 is from November 1 to September 30, and 2019 is from October 1 to March 31.

Series R

No performance data is available for this series as it was not distributed under a simplified prospectus for 12 consecutive months.

ANNUAL COMPOUND RETURNS

The following table shows the percent compounded returns to March 31, 2019 of the Fund for the periods indicated. It also presents the returns for the BMO Small Capitalization Equity Only Weighted Total Return Index which is the Fund's benchmark index.

| | Series A | Series F | Index |
|--|----------|----------|--------|
| One year | -0.5% | 0.3% | -2.8% |
| Three Year* | 4.7% | 5.5% | 5.7% |
| Five Year* | 0.5% | | -0.4% |
| Ten Year* | 12.6% | | 9.2% |
| Since Inception* – Series A (April 12, 2000) | 14.0% | | 5.5%** |
| Since Inception* – Series F (July 06, 2015) | | 1.5% | 2.1%** |

* annualized

**estimated as official index values are only calculated at month-end

SUMMARY OF INVESTMENT PORTFOLIO

The following investments were held by the Fund as at March 31, 2019.

| Securities | Percent of net assets |
|---|----------------------------------|
| Badger Daylighting Ltd. | 5.0% |
| Parex Resources Inc. | 4.5% |
| North American Construction Group Ltd. | 4.2% |
| FirstService Corp. | 4.2% |
| Hudbay Minerals Inc. | 4.1% |
| Major Drilling Group International Inc. | 4.1% |
| Parkland Fuel Corp. | 3.9% |
| Aritzia Inc. | 3.7% |
| Descartes Systems Group Inc. (The) | 3.7% |
| Chorus Aviation Inc. | 3.6% |
| Intertape Polymer Group Inc. | 3.5% |
| Enerflex Ltd. | 3.2% |
| Transcontinental Inc., Class 'A' | 2.9% |
| Superior Plus Corp. | 2.9% |
| Celestica Inc. | 2.9% |
| Air Canada | 2.8% |
| Chemtrade Logistics Income Fund | 2.7% |
| Lundin Mining Corp. | 2.7% |
| Ensign Energy Services Inc. | 2.6% |
| Detour Gold Corp. | 2.2% |
| Boyd Group Income Fund | 2.1% |
| Birchcliff Energy Ltd. | 2.0% |
| Altus Group Ltd. | 2.0% |
| BMO Junior Gold Index ETF | 2.0% |
| Enerplus Corp. | 1.7% |
| Other Securities | 2.2% |
| Total Securities | 81.4% |
| Other | |
| Cash | 17.9% |
| Other assets - net of liabilities | 0.7% |
| Total Net Asset Value | 100.0% |
| | |
| Industry Sectors | |
| Energy | 23.2% |
| Industrials | 16.5% |
| Materials | 21.3% |
| Consumer Discretionary | 3.7% |
| Real Estate | 6.2% |
| Information Technology | 6.5% |
| Utilities | 2.9% |
| Health Care | 1.1% |
| Other | 18.6% |
| Total | 100.0% |

The investments held by the Fund change due to ongoing portfolio transactions. A revised summary is posted on our website at www.ncminvestments.com no later than 60 days after each quarter-end.

OTHER MATERIAL INFORMATION

The simplified prospectus and other Fund related materials can be obtained by calling us toll-free at (877) 531-9355, by writing to us at 1850, 333-7th Avenue SW Calgary, Alberta T2P 2Z1, or on our website at www.ncminvestments.com.

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