

March 31, 2022

# INTERIM FINANCIAL STATEMENTS OF NCM CORE PORTFOLIOS

• NCM Core Canadian • NCM Core Global



## TO THE SHAREHOLDERS OF NCM CORE PORTFOLIOS LTD.

These unaudited interim financial statements are as at March 31, 2022. The unaudited interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) and include statements of financial position as at March 31, 2022 and September 30, 2021, statements of comprehensive income, statement of changes in net assets attributable to shareholders, and statement of cash flows for the period ended March 31, 2022 and 2021; and notes to the interim financial statements, comprising a summary of significant accounting policies, schedule of investment portfolio and other explanatory information.

The accompanying interim financial statements have not been reviewed by the external auditors of the Fund. The external auditors will be auditing the annual financial statements of the Fund prepared in accordance with IFRS.

We would be pleased to respond to any inquiries regarding this Fund.

NCM Core Portfolios Ltd.

May 27, 2022

# NCM CORE CANADIAN

## Interim Statements of Financial Position (unaudited)

(in Canadian dollars, except shares outstanding)

As at	March 31 2022	September 30 2021
<b>Assets</b>		
Cash and cash equivalents	381,399	960,572
Dividends receivable	49,603	94,170
Due from Manager (note 7)	19,220	39,083
Portfolio assets sold	287,318	475,317
Shares issued	144,688	–
Investments, at fair value through profit or loss	17,970,101	14,700,139
<b>Total assets</b>	<b>18,852,329</b>	<b>16,269,281</b>

### Liabilities

Accrued expenses (note 7)	34,520	26,983
Portfolio assets purchased	516,965	635,342
Shares redeemed	105	125
<b>Total liabilities (excluding net assets attributable to holders of redeemable shares)</b>	<b>551,590</b>	<b>662,450</b>
<b>Net assets attributable to holders of redeemable shares</b>	<b>18,300,739</b>	<b>15,606,831</b>

### Net assets attributable to holders of redeemable shares:

Series A	6,540,285	6,304,364
Series F	6,248,304	5,162,963
Series Z	159,862	647,072
Series R	4,874,426	2,665,857
Series M	477,862	826,575

### Redeemable shares outstanding (note 6):

Series A	170,733	187,617
Series F	153,036	144,853
Series Z	3,775	17,564
Series R	115,174	72,399
Series M	11,292	22,451

### Net assets attributable to holders of redeemable shares per share:

Series A	38.31	33.60
Series F	40.83	35.64
Series Z	42.35	36.84
Series R	42.32	36.82
Series M	42.32	36.82

See accompanying notes to interim financial statements.

On behalf of the Board of Directors of NCM Asset Management Ltd.



Alex Sasso



Keith Leslie

## Interim Statements of Comprehensive Income (Loss) (unaudited)

Six months ended March 31, 2022 and 2021

(in Canadian dollars)

	2022	2021
Dividend income	203,542	217,440
Interest for distribution purposes	14,490	10,190
Securities lending income	254	317
Net gain (loss) on investments at fair value through profit or loss		
Net realized gain (loss) on investments	1,418,270	1,088,245
Net change in unrealized appreciation (depreciation) in fair value of investments	773,914	465,389
<b>Total investment revenue (loss)</b>	<b>2,410,470</b>	<b>1,781,581</b>

Management fees (note 7)	76,421	67,766
Custodian and record keeping fees	18,859	19,098
Legal and filing fees	12,075	12,437
Transaction costs	11,675	15,654
HST/GST	9,456	9,076
Administrative fees (note 7)	9,280	13,016
Tax and other professional fees	3,743	3,532
Other	3,413	3,234
Computer services	2,751	3,163
Audit fees	2,714	2,437
Independent review committee	1,520	1,779
<b>Operating expense recovery (note 7)</b>	<b>(19,220)</b>	<b>(25,370)</b>
<b>Total operating expenses</b>	<b>132,687</b>	<b>125,822</b>

Increase (decrease) in net assets attributable to holders of redeemable shares before tax	2,277,783	1,655,759
Withholding tax expense	399	772
<b>Increase (decrease) in net assets attributable to holders of redeemable shares</b>	<b>2,277,384</b>	<b>1,654,987</b>

### Change in net assets attributable to holders of redeemable shares (note 6):

Series A	841,609	606,120
Series F	757,238	497,528
Series Z	103,055	63,422
Series R	511,280	402,372
Series M	64,202	85,545

### Change in net assets attributable to holders of redeemable shares per share (note 6):

Series A	4.62	3.14
Series F	5.23	3.48
Series Z	5.64	3.70
Series R	6.58	3.49
Series M	4.16	3.69

See accompanying notes to interim financial statements.

# NCM CORE CANADIAN

## Interim Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares (unaudited)

Six months ended March 31, 2022 and 2021

*(in Canadian dollars)*

	All Series		Series A		Series F		Series Z		Series R		Series M	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net assets attributable to holders of redeemable shares, beginning of period	15,606,831	15,709,026	6,304,364	5,833,529	5,162,963	4,397,659	647,072	532,645	2,665,857	4,012,736	826,575	932,457
Increase (decrease) in net assets, attributable to holders of redeemable shares	2,277,384	1,654,987	841,609	606,120	757,238	497,528	103,055	63,422	511,280	402,372	64,202	85,545
Transactions attributable to holders of redeemable shares:												
Issuance of shares	3,681,986	373,159	225,981	303,091	494,431	26,200	145,000	–	2,569,199	43,868	247,375	–
Amounts paid on redemptions	(3,265,462)	(3,119,814)	(831,669)	(778,263)	(166,328)	(136,565)	(735,265)	(1,120)	(871,910)	(1,956,696)	(660,290)	(247,170)
	416,524	(2,746,655)	(605,688)	(475,172)	328,103	(110,365)	(590,265)	(1,120)	1,697,289	(1,912,828)	(412,915)	(247,170)
Net assets attributable to holders of redeemable shares, end of period	18,300,739	14,617,358	6,540,285	5,964,477	6,248,304	4,784,822	159,862	594,947	4,874,426	2,502,280	477,862	770,832

See accompanying notes to interim financial statements.

# NCM CORE CANADIAN

## Interim Statements of Cash Flows (unaudited)

Six months ended March 31, 2022 and 2021

(in Canadian dollars)

	2022	2021
<b>Cash flows from (used in) operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable shares	2,277,384	1,654,987
Adjustments for:		
Net realized (gain) loss on sale of investments at fair value through profit or loss	(1,418,264)	(1,088,245)
Net change in unrealized (appreciation) depreciation of investments at fair value through profit or loss	(773,914)	(465,389)
Purchase of investments	(19,343,773)	(20,540,683)
Proceeds from the sale of investments	18,335,730	22,555,604
Dividends income	(203,542)	(217,440)
Dividends received, net of withholding tax paid	247,710	223,213
Withholding tax paid	399	772
Interest for distribution purposes	(14,490)	(10,190)
Interest received	14,490	10,190
Due from Manager	19,863	8,953
Accrued expenses	7,537	2,447
<b>Net cash from (used in) operating activities</b>	<b>(850,870)</b>	<b>2,134,219</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from the issuance of redeemable shares	3,537,298	373,159
Amounts paid on redemption of redeemable shares	(3,265,482)	(3,224,842)
Dividends to holders of redeemable shares, net of reinvestments	—	(42,345)
<b>Net cash from (used in) financing activities</b>	<b>271,816</b>	<b>(2,894,028)</b>
Net increase (decrease) in cash and cash equivalents	(579,054)	(759,809)
Effect of exchange rates on cash and cash equivalents	(119)	20
Cash and cash equivalents at beginning of period	960,572	1,330,838
<b>Cash and cash equivalents at end of period</b>	<b>381,399</b>	<b>571,049</b>

See accompanying notes to interim financial statements.

## Schedule of Investment Portfolio (unaudited)

As at March 31, 2022

(in Canadian dollars)

Description	Number of Shares	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>CANADIAN EQUITIES</b>				
<b>Communication Services</b>				
BCE Inc.	12,100	720,777	838,530	
Quebecor Inc., Class 'B'	18,500	586,364	551,300	
		1,307,141	1,389,830	7.6%
<b>Consumer Discretionary</b>				
Dollarama Inc.	5,100	323,629	361,590	
Gildan Activewear Inc.	9,400	450,078	440,766	
Pet Valu Holdings Ltd.	14,400	469,511	481,824	
		1,243,218	1,284,180	7.0%
<b>Consumer Staples</b>				
Empire Co. Ltd., Class 'A'	3,700	161,893	164,058	
Loblaw Cos. Ltd.	6,600	538,232	740,388	
		700,125	904,446	4.9%
<b>Energy</b>				
ARC Resources Ltd.	25,900	317,001	433,566	
Peyto Exploration & Development Corp.	34,900	405,614	442,532	
TC Energy Corp.	10,300	690,414	726,253	
Tourmaline Oil Corp.	6,600	271,205	380,160	
Whitecap Resources Inc.	26,900	207,348	278,146	
		1,891,582	2,260,657	12.4%
<b>Financials</b>				
Bank of Montreal	5,400	665,429	794,394	
Bank of Nova Scotia	10,900	1,000,986	976,640	
goeasy Ltd.	2,700	360,705	378,756	
Great-West Lifeco Inc.	12,400	468,249	456,816	
Manulife Financial Corp.	23,900	637,161	637,174	
Royal Bank of Canada	11,100	1,193,654	1,527,804	
		4,326,184	4,771,584	26.1%
<b>Industrials</b>				
Canadian National Railway Co.	5,400	813,400	905,580	
Hardwoods Distribution Inc.	28,300	1,158,403	1,032,950	
Stantec Inc.	8,400	545,105	526,764	
Toromont Industries Ltd.	3,200	334,830	379,232	
		2,851,738	2,844,526	15.5%

# NCM CORE CANADIAN

Schedule of Investment Portfolio (continued)  
(unaudited)

As at March 31, 2022

(in Canadian dollars)

Description	Number of Shares	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>Information Technology</b>				
Constellation Software Inc.	200	381,402	427,400	
Evertz Technologies Ltd.	22,200	320,206	338,328	
		701,608	765,728	4.2%
<b>Materials</b>				
Itafos Inc.	80,900	247,619	241,891	
Major Drilling Group International Inc.	36,900	316,541	449,073	
Newmont Corp.	3,600	281,532	357,588	
Nutrien Ltd.	5,700	433,047	736,554	
Teck Resources Ltd., Class 'B'	6,900	340,991	348,312	
		1,619,730	2,133,418	11.7%
<b>Real Estate</b>				
Choice Properties REIT	33,900	481,838	525,111	
NorthWest Healthcare Properties REIT	45,900	602,931	632,043	
		1,084,769	1,157,154	6.3%
<b>Utilities</b>				
Emera Inc.	7,400	434,999	458,578	
		434,999	458,578	2.5%
<b>TOTAL EQUITIES</b>		<b>16,161,094</b>	<b>17,970,101</b>	<b>98.2%</b>
Less: Transaction costs included in average cost		(3,896)		
<b>TOTAL INVESTMENTS</b>		<b>16,157,198</b>	<b>17,970,101</b>	<b>98.2%</b>
Other assets, less liabilities			330,638	1.8%
<b>TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES</b>			<b>18,300,739</b>	<b>100.0%</b>

# NCM CORE GLOBAL

## Interim Statements of Financial Position (unaudited)

(in Canadian dollars, except shares outstanding)

As at	March 31 2022	September 30 2021
<b>Assets</b>		
Cash and cash equivalents	2,403,531	3,554,642
Dividends receivable	76,332	79,303
Due from Manager (note 7)	8,551	62,852
Portfolio assets sold	–	380,055
Shares issued	34,811	79,374
Investments, at fair value through profit or loss	50,592,872	52,304,021
<b>Total assets</b>	<b>53,116,097</b>	<b>56,460,247</b>
<b>Liabilities</b>		
Accrued expenses (note 7)	90,852	90,353
Portfolio assets purchased	–	381,342
Shares redeemed	61,783	15,290
Unrealized loss on derivative instruments	–	25,021
Total liabilities (excluding net assets attributable to holders of redeemable shares)	152,635	512,006
<b>Net assets attributable to holders of redeemable shares</b>	<b>52,963,462</b>	<b>55,948,241</b>
Net assets attributable to holders of redeemable shares:		
Series A	14,420,248	14,928,469
Series F	14,561,083	14,486,017
Series Z	10,818,043	11,918,691
Series R	1,368,333	2,599,807
Series M	5,974,047	6,687,192
ETF Series	5,821,708	5,328,065
Redeemable shares outstanding (note 6):		
Series A	339,159	334,974
Series F	322,025	307,397
Series Z	230,268	244,548
Series R	29,119	53,332
Series M	127,179	137,220
ETF Series	205,000	180,000
Net assets attributable to holders of redeemable shares per share:		
Series A	42.52	44.57
Series F	45.22	47.12
Series Z	46.98	48.74
Series R	46.99	48.75
Series M	46.97	48.73
ETF Series	28.40	29.60

See accompanying notes to interim financial statements.

On behalf of the Board of Directors of NCM Asset Management Ltd.



Alex Sasso



Keith Leslie

## Interim Statements of Comprehensive Income (Loss) (unaudited)

Six months ended March 31, 2022 and 2021

(in Canadian dollars)

	2022	2021
Dividend income	266,602	250,719
Net gain (loss) on investments at fair value through profit or loss		
Net realized gain (loss) on investments	1,691,526	3,614,210
Net realized gain (loss) on derivative instruments	19,376	549,970
Net change in unrealized appreciation (depreciation) in fair value of investments	(3,800,309)	(1,155,544)
Net change in unrealized appreciation (depreciation) on derivative instruments	25,022	138,275
<b>Total investment revenue (loss)</b>	<b>(1,797,783)</b>	<b>3,397,630</b>
Management fees (note 7)	237,196	170,518
Custodian and record keeping fees	41,687	43,511
HST/GST	34,533	29,087
Administrative fees (note 7)	33,389	40,974
Transaction costs	21,942	47,778
Legal and filing fees	14,024	30,310
Computer services	9,985	10,134
Audit fees	8,036	7,549
Other	7,923	7,275
Tax and other professional fees	6,152	5,228
Independent review committee	5,390	5,220
Operating expense recovery (note 7)	(8,551)	(51,388)
<b>Total operating expenses</b>	<b>411,706</b>	<b>346,196</b>
Increase (decrease) in net assets attributable to holders of redeemable shares before tax	(2,209,489)	3,051,434
Withholding tax expense	27,333	39,382
Increase (decrease) in net assets attributable to holders of redeemable shares	(2,236,822)	3,012,052
Change in net assets attributable to holders of redeemable shares (note 6):		
Series A	(865,252)	585,689
Series F	(595,225)	972,053
Series Z	(364,700)	469,121
Series R	26,963	498,879
Series M	(167,479)	380,678
ETF Series	(271,129)	105,632
Change in net assets attributable to holders of redeemable shares per share (note 6):		
Series A	(2.48)	2.10
Series F	(1.92)	2.88
Series Z	(1.55)	2.53
Series R	1.02	2.79
Series M	(1.28)	2.64
ETF Series	(1.34)	1.23

See accompanying notes to interim financial statements.

# NCM CORE GLOBAL

## Interim Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares (unaudited)

Six months ended March 31, 2022 and 2021

(in Canadian dollars)

	All Series		Series A		Series F		Series Z		Series R		Series M		ETF Series	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net assets attributable to holders of redeemable shares, beginning of period	55,948,241	52,779,941	14,928,469	8,409,436	14,486,017	19,889,365	11,918,691	7,045,103	2,599,807	9,333,283	6,687,192	6,094,814	5,328,065	2,007,940
Increase (decrease) in net assets, attributable to holders of redeemable shares	(2,236,822)	3,012,052	(865,252)	585,689	(595,225)	972,053	(364,700)	469,121	26,963	498,879	(167,479)	380,678	(271,129)	105,632
Transactions attributable to holders of redeemable shares:														
Issuance of shares	6,231,357	11,510,508	1,982,370	5,145,354	2,296,467	2,982,226	260,937	2,168,608	783,811	114,353	143,000	420,977	764,772	678,990
Reinvestment of dividends	43	122	-	-	-	122	43	-	-	-	-	-	-	-
Amounts paid on redemptions	(6,979,357)	(19,477,783)	(1,625,339)	(1,567,428)	(1,626,176)	(11,730,460)	(996,928)	(386,029)	(2,042,248)	(4,996,577)	(688,666)	(797,289)	-	-
	(747,957)	(7,967,153)	357,031	3,577,926	670,291	(8,748,112)	(735,948)	1,782,579	(1,258,437)	(4,882,224)	(545,666)	(376,312)	764,772	678,990
Net assets attributable to holders of redeemable shares, end of period	52,963,462	47,824,840	14,420,248	12,573,051	14,561,083	12,113,306	10,818,043	9,296,803	1,368,333	4,949,938	5,974,047	6,099,180	5,821,708	2,792,562

See accompanying notes to interim financial statements.



# NCM CORE GLOBAL

## Interim Statements of Cash Flows (unaudited)

Six months ended March 31, 2022 and 2021

(in Canadian dollars)

	2022	2021
<b>Cash flows from (used in) operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable shares	(2,236,822)	3,012,052
Adjustments for:		
Net realized (gain) loss on sale of investments at fair value through profit or loss	(1,691,526)	(3,614,210)
Net change in unrealized (appreciation) depreciation of investments at fair value through profit or loss	3,800,309	1,155,544
Net change in unrealized (appreciation) depreciation on derivative instruments	(25,022)	(138,275)
Purchase of investments	(12,486,871)	(14,970,606)
Proceeds from the sale of investments	12,127,006	19,102,118
Dividends income	(266,602)	(250,719)
Dividends received, net of withholding tax paid	242,240	216,345
Withholding tax paid	27,333	39,382
Due from Manager	54,301	37,981
Accrued expenses	499	(38,281)
<b>Net cash from (used in) operating activities</b>	<b>(455,155)</b>	<b>4,551,331</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from the issuance of redeemable shares	6,275,920	11,613,268
Amounts paid on redemption of redeemable shares	(6,932,864)	(19,663,282)
Dividends to holders of redeemable shares, net of reinvestments	43	(5,188)
<b>Net cash from (used in) financing activities</b>	<b>(656,901)</b>	<b>(8,055,202)</b>
Net increase (decrease) in cash and cash equivalents	(1,112,056)	(3,503,871)
Effect of exchange rates on cash and cash equivalents	(39,055)	(43,419)
Cash and cash equivalents at beginning of period	3,554,642	4,876,600
<b>Cash and cash equivalents at end of period</b>	<b>2,403,531</b>	<b>1,329,310</b>

See accompanying notes to interim financial statements.

## Schedule of Investment Portfolio (unaudited)

As at March 31, 2022

(in Canadian dollars)

Description	Number of Shares	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>CANADIAN EQUITIES</b>				
<b>Energy</b>				
Topaz Energy Corp.	72,850	1,320,109	1,522,565	
		1,320,109	1,522,565	2.9%
<b>Financials</b>				
Bank of Montreal	7,100	1,058,405	1,044,481	
Brookfield Asset Management Inc., Class 'A'	14,000	958,950	989,520	
Royal Bank of Canada	10,800	1,235,031	1,486,512	
		3,252,386	3,520,513	6.6%
<b>TOTAL CANADIAN EQUITIES</b>		<b>4,572,495</b>	<b>5,043,078</b>	<b>9.5%</b>
<b>UNITED STATES EQUITIES</b>				
<b>Communication Services</b>				
Alphabet Inc., Class 'A'	715	1,066,492	2,483,942	
Comcast Corp., Class 'A'	10,000	716,877	584,805	
		1,783,369	3,068,747	5.8%
<b>Consumer Discretionary</b>				
Home Depot Inc. (The)	3,033	791,822	1,133,972	
Nike Inc., Class 'B'	6,359	630,149	1,068,771	
		1,421,971	2,202,743	4.1%
<b>Consumer Staples</b>				
Costco Wholesale Corp.	2,234	666,678	1,606,839	
Estée Lauder Cos. Inc. (The), Class 'A'	3,622	762,980	1,231,992	
		1,429,658	2,838,831	5.4%
<b>Financials</b>				
First Republic Bank	7,696	1,146,061	1,558,217	
Marsh & McLennan Cos. Inc.	5,000	1,025,416	1,064,316	
S&P Global Inc.	3,850	1,993,951	1,972,491	
SVB Financial Group	1,200	1,052,837	838,537	
		5,218,265	5,433,561	10.3%
<b>Health Care</b>				
Abbott Laboratories	7,500	912,427	1,108,782	
Thermo Fisher Scientific Inc.	1,930	764,507	1,423,860	
UnitedHealth Group Inc.	2,100	930,930	1,337,654	
		2,607,864	3,870,296	7.3%
<b>Information Technology</b>				
Analog Devices Inc.	4,500	817,354	928,431	
Intuit Inc.	1,450	654,644	870,860	
Microsoft Corp.	6,359	882,377	2,448,817	
Visa Inc., Class 'A'	6,305	1,175,549	1,746,496	
		3,529,924	5,994,604	11.3%

# NCM CORE GLOBAL

Schedule of Investment Portfolio (continued)  
(unaudited)

As at March 31, 2022

(in Canadian dollars)

Description	Number of Shares	Cost (\$)	Fair Value (\$)	% of Net Assets
<b>Materials</b>				
Sherwin-Williams Co. (The)	3,060	737,247	954,071	
		737,247	954,071	1.8%
<b>TOTAL UNITED STATES EQUITIES</b>				
		<b>16,728,298</b>	<b>24,362,853</b>	<b>46.0%</b>
<b>INTERNATIONAL EQUITIES</b>				
<b>Denmark</b>				
DSV AS	5,158	577,103	1,253,278	
Novo Nordisk AS, Series 'B'	6,727	454,328	941,241	
		1,031,431	2,194,519	4.1%
<b>France</b>				
Air Liquide SA	3,800	818,118	839,268	
Capgemini SE	4,000	1,026,958	1,125,702	
EssilorLuxottica SA	7,000	1,442,268	1,617,814	
Kering	750	799,228	600,062	
LVMH Moët Hennessy Louis Vuitton SE	1,350	807,525	1,218,385	
Schneider Electric SE	7,300	1,402,433	1,543,696	
Teleperformance	3,600	1,393,321	1,732,580	
		7,689,851	8,677,507	16.4%
<b>Hong Kong</b>				
AIA Group Ltd.	65,049	849,973	855,405	
		849,973	855,405	1.6%
<b>Ireland</b>				
Accenture PLC, Class 'A'	3,950	1,282,041	1,663,808	
Experian PLC	17,000	758,088	825,027	
Linde PLC	2,700	1,091,749	1,077,257	
		3,131,878	3,566,092	6.7%
<b>Japan</b>				
Keyence Corp.	1,000	567,192	589,150	
		567,192	589,150	1.1%
<b>Switzerland</b>				
Givaudan SA, Registered	174	583,751	903,820	
Nestlé SA, Registered	7,000	1,132,615	1,142,027	
		1,716,366	2,045,847	3.9%
<b>United Kingdom</b>				
Diageo PLC	33,000	1,814,655	2,096,742	
Howden Joinery Group PLC	92,000	1,205,373	1,161,679	
		3,020,028	3,258,421	6.2%

## TOTAL INTERNATIONAL EQUITIES

18,006,719 21,186,941 40.0%

## TOTAL EQUITIES

39,307,512 50,592,872 95.5%

Less: Transaction costs included in average cost

(46,283)

## TOTAL INVESTMENTS

39,261,229 50,592,872 95.5%

Other assets, less liabilities

2,370,590 4.5%

## TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES

52,963,462 100.0%

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 1. Reporting Entity

On January 9, 2014, Norrep MG Fund Ltd. changed its name to Norrep Premium Portfolios Ltd. On February 17, 2016 Norrep Premium Portfolios Ltd. changed its name to Norrep Core Portfolios Ltd. On August 27, 2018, Norrep Core Portfolios Ltd. changed its name to NCM Core Portfolios Ltd.

NCM Core Portfolios Ltd. (the "Corporation") consists of NCM Core Canadian, and NCM Core Global (the "Funds"). NCM Core Canadian and NCM Core Global began operations on February 17, 2016. On June 29, 2017, MF Series was renamed as Series A. Additionally, Norrep Core Canadian Pool was renamed as Norrep Core Canadian and Norrep Core Global Pool was renamed as Norrep Core Global. On August 27, 2018, Norrep Core Canadian was renamed as NCM Core Canadian and Norrep Core Global was renamed as NCM Core Global.

The Corporation is authorized to issue 100 Classes of special shares, each Class being issuable in series (collectively the "Special Shares") and an unlimited number of common shares. At March 31, 2022, there were 100 common shares issued as well as two Classes of Special Shares with NCM Core Canadian, and NCM Core Global all issued in five and six series, respectively. Each special share represents an equal undivided interest in the net assets of its Fund. CIBC Mellon Trust Company is the Custodian of the Funds, and NCM Asset Management Ltd. ("NCM") is the Manager and Portfolio Manager of the Funds.

## 2. Basis of preparation

### (a) Statement of compliance:

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Funds' significant accounting policies under IFRS are presented in note 3. These policies have been applied consistently to all periods presented.

These interim financial statements have also been prepared in accordance with International Accounting Standards ("IAS") 34, Interim financial reporting.

The financial statements of the Funds were approved and were authorized for issue by the Manager's Board of Directors on May 27, 2022.

### (b) Basis of measurement:

The financial statements have been prepared on the historical cost basis, except for investments at fair value through profit or loss and derivative instruments which are measured at fair value.

### (c) Functional and presentation currency:

The financial statements are presented in Canadian dollars, which is the Funds' functional currency, and all values are rounded to the nearest dollar except where otherwise indicated.

### (d) Use of judgements and estimates:

These financial statements include estimates and assumptions made by management that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and gains and losses during the reporting period. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Significant estimates include the valuation of investments and the unrealized gains/losses from investments.

## 3. Significant accounting policies

The Funds have consistently applied the following accounting policies to all periods presented in these financial statements.

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 3. Significant accounting policies (continued)

### (a) Financial assets and financial liabilities:

#### (i) Recognition and initial measurement

Financial assets and financial liabilities at fair value through profit or loss (“FVTPL”) are initially recognized on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value, with transaction costs recognized in profit or loss. Financial assets or financial liabilities not at FVTPL are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

#### (ii) Derecognition

Financial assets are derecognized only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Funds derecognize financial liabilities when, and only when, the Funds’ obligations are discharged, cancelled or they expire.

#### (iii) Classification

The Funds follow IFRS 9 Financial Instruments. The standard requires assets to be carried at amortized cost or fair value, with changes in fair value recognized in profit and loss or fair value through other comprehensive income (FVOCI) based on the entity’s business model for managing financial assets or the contractual cash flow characteristics of the financial assets.

Assessment and decision on the business model approach used is an accounting judgement.

Under IFRS 9, derivatives are classified as FVTPL like other financial assets and liabilities, so there is no requirement to present separately the different component amounts on the Statement of Comprehensive Income as they fall within the same classification.

However, Canadian Security Administrators (“CSA”) regulatory requirements under NI 81-106 prescribe the individual line items that are required to be disclosed which includes separate disclosure for derivatives.

The Funds classify financial assets and financial liabilities into the following categories.

Financial assets at fair value through profit or loss:

- All investments, including derivatives

Financial assets at amortized cost:

- Cash and cash equivalents and receivables

Financial liabilities at amortised cost:

- All liabilities other than redeemable shares

The Funds designate all financial assets and liabilities at fair value through profit or loss on initial recognition because it manages securities on a fair value basis in accordance with its documented investment strategy. Internal reporting and performance measurement of these securities and the Fund as a whole is on a fair value basis. The Manager also receives management fees which are based on the overall fair value of the Fund.

#### (iv) Fair value measurement

Fair value is the price 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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

There is no difference between pricing Net Asset Value (“NAV”) and accounting NAV.

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 3. Significant accounting policies (continued)

### (a) Financial assets and financial liabilities (continued):

#### (v) Amortized cost measurement

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at recognition, minus principal repayments (if applicable), plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount (if applicable), minus any reduction for impairment (if applicable).

#### (vi) Specific instruments

##### Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Funds in the management of short-term commitments, other than cash collateral provided in respect of derivatives and securities borrowing transactions.

##### Redeemable shares

The Funds classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Funds have multiple classes of redeemable shares that do not have identical features and therefore, do not qualify as equity under IAS 32, *Financial Instruments: Presentation*. The redeemable shares, which are classified as financial liabilities and measured at redemption amount, provide investors with the right to require redemption, subject to available liquidity, for cash at a share price based on the Fund's valuation policies at each redemption date. The shares represent the residual interest in the Fund.

The value at which mutual fund shares are issued or redeemed is determined by dividing the net assets of the Fund at fair value based on last traded price by the total number of mutual fund shares outstanding on the valuation date. Amounts received on the issuance of mutual fund shares and amounts paid on the redemption of mutual fund shares are added to, or deducted from net assets.

#### (b) Dividend income:

Dividend income is recognized in profit or loss on the date on which the right to receive payment is established. This is usually the ex-dividend date.

#### (c) Dividends to holders of redeemable shares:

Any dividends paid will be in proportion to the number of shares held by each shareholder.

Dividends per share to shareholders is calculated as the total amount of dividends attributable to a series divided by the number of shares of the series at the date of distribution.

#### (d) Net gain (loss) from financial instruments at fair value through profit or loss:

Net unrealized/realized gain (loss) from financial instruments at fair value through profit or loss is calculated using the average cost method.

Average cost does not include amortization of premiums or discounts on fixed income securities.

#### (e) Income tax:

The Corporation is qualified as a mutual fund corporation for the purposes of the Income Tax Act (Canada) and the Alberta Corporate Tax Act.

Interest and foreign dividends received, less applicable expenses, are taxed at Federal and Provincial corporate rates less applicable credits for any foreign taxes paid.

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 3. Significant accounting policies (continued)

### (e) Income tax (continued):

Taxable dividends received from taxable Canadian corporations are subject to taxes that are fully refundable upon payment of sufficient taxable dividends to shareholders.

The Corporation is also subject to tax at full corporate rates on 50% of capital gains realized, less allowable capital losses claimed. This tax is generally refundable to the extent that the Corporation distributes its capital gains to shareholders by way of a capital gains dividend, or through the redemption of its shares.

Temporary differences between the tax basis of assets and liabilities and their carrying amounts may be either taxable or deductible. Taxable temporary differences give rise to deferred income tax liabilities and deductible temporary differences give rise to deferred income tax assets. When the fair value of investments is greater than the related tax basis, a deferred income tax liability arises and the deferred tax liability is offset by refundable taxes generated by future payments of capital gains dividends. When the fair value of investments is less than the related tax basis, a deferred income tax asset arises and due to the uncertainty of such deferred income tax assets ultimately being realized, a full valuation allowance is applied to offset the asset. Any unused capital and non-capital losses represent deferred tax assets to the Corporation for which a full valuation allowance has been established such that no net benefit has been recorded by the Corporation.

Income that would give rise to deferred income tax liabilities or assets are distributed out to shareholders.

Certain dividend and interest income received by the Fund is subject to withholding tax imposed in certain countries of origin. Income that is subject to such tax is recognized gross of the taxes and the corresponding withholding tax is recognized as a tax

expense. The Funds incurred withholding tax expense accordingly;

	March 31, 2022	March 31, 2021
NCM Core Canadian	399	772
NCM Core Global	27,333	39,382

### (f) Increase (decrease) in net assets attributable to holders of redeemable shares:

The net assets attributable to holders of redeemable shares per share is calculated by dividing the net assets attributable to holders of redeemable shares of a particular series of shares by the total number of shares of that particular series outstanding at the end of the period.

Increase (decrease) in net assets attributable to shareholders per share is calculated as increase (decrease) in net assets attributable to shareholders, divided by the weighted average shares outstanding during the period.

### (g) Translation of foreign currency:

Foreign currency amounts are expressed in Canadian dollars as follows:

- (i) fair value of investments and accrued receivables and payables and other assets and liabilities at the rate of exchange at the end of the period; and
- (ii) purchases and sales of investments and dividend and interest income at the rate of exchange prevailing on the respective dates of such transactions.

Foreign currency differences are recognized as a component of net gain/loss from financial instruments at fair value through profit or loss.

### (h) Derivative financial instruments:

The Funds may use derivative financial instruments to reduce their exposure to fluctuations in foreign currency exchange rates. Derivative financial instruments are recorded at mark to market with

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 3. Significant accounting policies (continued)

### (h) Derivative financial instruments (continued):

changes in fair value recorded in the statement of comprehensive income.

Options are contracts entitling the holder to purchase or sell a specified item at a specified price, during a specified period or on a specified date. Options purchased are recorded as investments; options written (sold) are recorded as liabilities. Any gain or loss resulting from revaluation is included in change in unrealized gain (loss) on derivative instruments on the statements of comprehensive income.

The risks include the possibility there may be an illiquid options market or the inability of the counterparties to fulfill their obligations under the contract. Writing options involves, to varying degrees, elements of market risk in excess of the amount recognized in the statements of financial position.

### (i) Securities lending transactions:

The Funds are permitted to enter into securities lending transactions as set out in the Funds' Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date. Securities lending transactions are administered by The Bank of New York Mellon (collectively the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statements of Comprehensive Income as Securities lending income and recognized when earned.

## 4. Fair value measurement

### (a) Investments:

The fair values of financial assets and financial liabilities that are traded on active markets are based on quoted market prices. For all other financial instruments, the Funds determine fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

A three-tier hierarchy is used as a framework for disclosing fair value based on inputs used to value the Fund's investments. The hierarchy of inputs is summarized below:

- Inputs that are quoted prices (unadjusted) in active markets for identical instruments (Level 1);
- Valuation techniques for which the lowest level input that is significant to fair value measurement is directly or indirectly observable (Level 2);
- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable (Level 3).

Changes in valuation methods may result in transfers into or out of an investment's assigned level. The Funds recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change occurred.

### (b) Fair value hierarchy – Financial instruments measured at fair value:

The tables below analyze investments measured at fair value at March 31, 2022 and September 30, 2021 by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 4. Fair value measurement (continued)

(b) Fair value hierarchy – Financial instruments measured at fair value (continued):

<i>(in Canadian dollars)</i>	Level 1	Level 2	Level 3	Total
NCM Core Canadian – March 31, 2022				
Public securities				
Equities - long	17,970,101	—	—	17,970,101
Total Investments	17,970,101	—	—	17,970,101

<i>(in Canadian dollars)</i>	Level 1	Level 2	Level 3	Total
NCM Core Canadian - September 30, 2021				
Public securities				
Equities - long	14,700,139	—	—	14,700,139
Total Investments	14,700,139	—	—	14,700,139

<i>(in Canadian dollars)</i>	Level 1	Level 2	Level 3	Total
NCM Core Global - March 31, 2022				
Public securities				
Equities - long	50,592,872	—	—	50,592,872
Total Investments	50,592,872	—	—	50,592,872

<i>(in Canadian dollars)</i>	Level 1	Level 2	Level 3	Total
NCM Core Global - September 30, 2021				
Public securities				
Equities - long	52,304,021	—	—	52,304,021
Unrealized loss on derivative instruments	—	(25,021)	—	(25,021)
Total Investments	52,304,021	(25,021)	—	52,279,000

There were no transfers between Level 1, Level 2 and Level 3 during the periods presented.

(c) Financial instruments not measured at fair value:

The carrying values of cash and cash equivalents, dividends and interest receivable, accrued expenses, and other receivables and payables approximate their fair values due to their short term nature.

## 5. Financial instruments and associated risks

The Funds' activities expose it to a variety of risks associated with financial instruments as follows: credit risk, liquidity risk and market risk (including currency

risk, interest rate risk and price risk). The Funds' overall risk management program seeks to maximize the returns for the level of risk to which the Funds are exposed and seeks to minimize potential adverse effects on the Funds' financial performance. Market disruptions associated with acts of terrorism, war, natural disasters and epidemics can lead to increased market volatilities and be highly disruptive to economies, individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings and investor sentiment. Such disruptions can adversely affect the financial instrument risks associated with each of the Funds and its investments. All investments result in a risk of loss of capital.

### Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. The carrying amount of cash and cash equivalents and receivables represents credit risk.

Credit risk arising on transactions for shares purchased and portfolio assets sold relates to transactions awaiting settlement, also known as settlement risk.

'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. Credit risk relating to unsettled transactions is considered small due to the short settlement period involved and the high credit quality of the brokers used.

For the majority of the transactions, the Funds mitigate this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Also, legal entitlement will not pass until all monies have been received for the shares purchased or the portfolio assets sold. If either party does not meet its obligation then the transaction will fail.

Substantially all of the assets of the Funds are held by CIBC Mellon Trust Company, the custodian. Bankruptcy



# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 5. Financial instruments and associated risks (continued)

### Credit risk (continued):

or insolvency of the custodian may cause the Funds' rights with respect to securities held by the custodian to be delayed or limited. The Funds monitor risk by monitoring the credit quality, credit rating and financial position of the custodian the Funds use.

If the credit quality or the financial position deteriorates significantly then the Portfolio Manager will move the cash holdings to another financial institution.

The Portfolio Manager analyses credit concentration based on the counterparty, industry and geographical location of the financial assets that each Fund holds.

Other than outlined above there were no significant concentrations of credit risk to counterparties at March 31, 2022 and September 30, 2021.

### Liquidity risk:

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets.

The Funds are exposed to daily cash redemptions of redeemable shares. Investments in small, midcapitalization and micro-capitalization companies may involve greater risks than in larger, more established companies since such companies may have more limited markets and financial resources and their securities may be more sensitive to market changes. As well, the liquidity of the securities may be limited.

Consequently, in order to fund redemptions, the Funds may have to liquidate shareholdings in the more liquid large and medium-sized companies.

To the extent that the liquidity is limited, the Funds' ability to realize profits and/or minimize losses may be limited, which could adversely affect the net asset value of the Funds. The Funds believe they maintain sufficient cash and cash equivalent positions to maintain liquidity.

The Funds' liquidity risk is managed on a daily basis by the Portfolio Manager. Minimum cash balances may be required to be maintained in each Fund at the discretion of the Portfolio Manager to allow for monies to cover redemptions. The Funds' redemption policy allows for redemptions at any time during any given month.

The Funds are subject to regulatory requirements whereby the Funds shall not purchase an illiquid asset if, immediately after the purchase, more than ten percent of the net assets of each Fund, taken at market value at the time of purchase, would consist of illiquid assets. Residual contractual maturities of financial liabilities are all due on demand.

### Market risk:

Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk and price risk.

The Funds' strategies on the management of investment risk are driven by the Funds' investment objectives.

NCM Core Canadian is designed to achieve long-term capital appreciation by investing primarily in equity securities of large capitalization issuers. NCM Core Global will seek to achieve long-term capital appreciation by investing primarily in global equity securities.

No material change in the investment objectives, policies or restrictions of a Fund may be made without the approval of a majority of the votes cast at a meeting of the Fund duly called for that purpose.

The Funds' market risk is managed on a daily basis by the Portfolio Manager in accordance with the policies and procedures in place.

Details of the nature of the Funds' investment portfolio at March 31, 2022 are disclosed in the schedule of investment portfolio.

#### (a) Currency risk:

The Funds may invest in financial instruments and enter into transactions denominated in currencies other than the Canadian dollar. Consequently, the

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 5. Financial instruments and associated risks (continued)

### Market risk (continued):

#### (a) Currency risk (continued):

Funds are exposed to risks that the exchange rate of the Canadian dollar to other foreign currencies may fluctuate.

The Funds may use derivatives to hedge the foreign currency exposure. Such permitted derivatives may include exchange-traded options, futures contracts, and options on futures, over-the-counter options and forward contracts.

At March 31, 2022 and September 30, 2021, NCM Core Global had the following foreign currency exposure as a percentage of the net asset value, including the impact of outstanding derivatives.

NCM Core Global	2022	2021
U.S. Dollar	55.5%	50.7%
Euro	16.4%	13.9%
British Pound	7.7%	6.7%
Danish Kroner	4.2%	5.6%
Swiss Franc	3.9%	1.8%
Hong Kong Dollar	1.6%	1.7%
Japanese Yen	1.1%	1.4%

#### Sensitivity Analysis:

At March 31, 2022 and September 30, 2021, had the Canadian dollar strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, including the impact of outstanding derivative instruments, net assets attributable to the holders of redeemable shares and the change in net assets attributable to holders of redeemable shares would have increased or decreased by the amounts shown below. In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

NCM Core Global	2022	2021
<i>(in Canadian dollars)</i>		
U.S. Dollar	293,972	283,513
Euro	86,964	77,576
British Pound	40,994	37,448
Danish Kroner	22,203	31,577
Swiss Franc	20,681	10,161
Hong Kong Dollar	8,554	9,522
Japanese Yen	5,900	7,617
Total	479,268	457,414

#### (b) Interest rate risk:

Interest rate risk arises on interest-bearing financial instruments. A change in general interest rates is a main factor affecting the price of a fund that invests in fixed income securities. Fixed income securities, like bonds, pay interest based on interest rates when the bond is issued, when interest rates fall, the value of the bonds rise. This is because the interest rates of existing bonds will be higher than the rate on newer bonds. Conversely, when interest rates rise, the price of existing bonds drop because they pay less than newer bonds.

The majority of the Funds' assets are non-interest-bearing. Interest-bearing financial assets mature or re-price in the short term, being no more than twelve months. There are no interest bearing financial liabilities as a result, the Funds are subject to limited exposure to the risk of fluctuation in the prevailing levels of market interest rates. High yield corporate bond prices are impacted by the credit metrics, liquidity and business fundamentals of the corporate entity with a minimal correlation to interest rates.

#### (c) Other price risk:

Other price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer, or factors affecting all instruments traded in the market. All securities present a risk of loss of capital.

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 5. Financial instruments and associated risks (continued)

### Market risk (continued):

#### (c) Other price risk (continued):

Price risk is managed by the Funds' Portfolio Manager through construction of diversified portfolios. The price of a security is affected by individual company developments and by general economic and financial conditions in those countries where the issuer of the security is located, does business or where the security is listed for trading. In addition, certain securities are not listed on any prescribed stock exchange and thus a liquid market for resale may not exist.

The Portfolio Manager will monitor these factors daily and make decisions regarding the portfolio based on its knowledge of the market conditions and diversify the portfolio of investments accordingly. The maximum price risk resulting from financial instruments is equivalent to their fair value.

#### Sensitivity analysis:

Management's estimate of the impact of a 1% increase or decrease on the following indices at March 31, 2022 and September 30, 2021, is an increase or decrease in the net assets attributable to holders of redeemable shares of approximately:

	Total Return Index (In Canadian dollars)	Change in Net Assets	
		2022	2021
NCM Core Canadian	S&P TSX Composite Total Return Index 70% Morningstar Developed Markets Target Market Exposure NR USD and 30% Morningstar Developed Markets Target Market Exposure NR EUR	179,701	147,001
NCM Core Global		505,929	523,040

In practice, the actual trading results may differ from this estimate and the difference could be material.

NCM Core Canadian and NCM Core Global financial assets exposed to other price risk are concentrated in

the following industries at March 31, 2022 and September 30, 2021.

NCM Core Canadian	2022	2021
Energy	12.6%	7.7%
Materials	11.9%	10.1%
Industrials	15.8%	13.0%
Consumer Discretionary	7.1%	2.6%
Consumer Staples	5.0%	6.6%
Financials	26.6%	31.8%
Information Technology	4.3%	7.2%
Communication Services	7.7%	8.5%
Utilities	2.6%	4.2%
Real Estate	6.4%	8.3%
Total	100.0%	100.0%

NCM Core Global	2022	2021
Energy	3.0%	-%
Materials	7.5%	7.1%
Industrials	12.9%	16.6%
Consumer Discretionary	11.2%	14.8%
Consumer Staples	12.0%	8.9%
Health Care	9.4%	10.9%
Financials	19.4%	13.6%
Information Technology	18.5%	19.9%
Communication Services	6.1%	8.2%
Total	100.0%	100.0%

## 6. Net Assets attributable to holders of redeemable shares

The Corporation is authorized to issue an unlimited number of special shares of up to 100 classes with each class representing a separate fund with its own investment objective and investment portfolio (referred to collectively as the "special shares").

Each class can be divided into 26 series, each series being comprised of an unlimited number of shares. Currently, there are five series outstanding, Series A, Series F, Series Z, Series R and Series M within NCM Core Canadian and six series outstanding, Series A, Series F, Series Z, Series R, Series M and ETF Series within NCM Core Global. Each series ranks equally with respect to dividends and return of capital in the event of liquidation, dissolution or winding up based on their respective series' net asset values.

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 6. Net Assets attributable to holders of redeemable shares (continued)

Each series pays its own fees and expenses. Series A shares are sold through the front end sales charge option. Under the front end sales charge option, a commission ranging from 0% to 5% is paid by the investor to the dealer with a 2% redemption fee being charged if the shares are redeemed in the first 30 days. Series F are sold to purchasers enrolled in a fee-for-service or wrap program with their dealer. A 2% redemption fee is charged if the Series F is redeemed within the first 30 days. Series Z are sold without commission provided the purchaser is enrolled in a fee-for-service or wrap program with the dealer. A 2% redemption fee is charged if the Series Z shares are redeemed in the first 30 days.

There are no sales charges or commissions payable in respect of purchases of Series R shares. Series R is only available for purchase by the NCM Funds and other funds and accounts managed or advised by the Manager and/or its affiliates.

Series M shares are not available for general public purchase.

ETF Series securities may only be purchased and sold on the TSX or another exchange or marketplace, as listed. The ticker symbol for the ETF Series is NCG.

In addition, the Corporation is authorized to issue an unlimited number of common shares. The special shares have priority over the common shares with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation or dissolution on winding up of the Corporation. 100 common shares were issued on incorporation for \$1.

The shares may be redeemed daily at the net asset value per share of the respective series.

The analysis of movements in the number of redeemable shares was as follows:

NCM Core Canadian	Series A	Series F	Series Z	Series R	Series M
Balance, September 30, 2021	187,617	144,853	17,564	72,399	22,451
Issued for cash	6,176	12,642	3,786	64,898	6,245
Redeemed for cash	(23,060)	(4,459)	(17,575)	(22,123)	(17,404)
Balance, March 31, 2022	170,733	153,036	3,775	115,174	11,292

NCM Core Canadian	Series A	Series F	Series Z	Series R	Series M
Balance, September 30, 2020	202,390	145,195	17,129	129,095	30,004
Issued for cash	9,980	825	–	1,368	–
Redeemed for cash	(25,894)	(4,359)	(33)	(58,527)	(7,841)
Balance, March 31, 2021	186,476	141,661	17,096	71,936	22,163

NCM Core Global	Series A	Series F	Series Z
Balance, September 30, 2021	334,974	307,397	244,548
Issued for cash	42,619	48,661	5,650
Issued on reinvestment of distributions	–	–	1
Redeemed for cash	(38,434)	(34,033)	(19,931)
Balance, March 31, 2022	339,159	322,025	230,268

NCM Core Global	Series R	Series M	ETF Series
Balance, September 30, 2021	53,332	137,220	180,000
Issued for cash	16,078	2,983	25,000
Redeemed for cash	(40,291)	(13,024)	–
Balance, March 31, 2022	29,119	127,179	205,000

NCM Core Global	Series A	Series F	Series Z
Balance, September 30, 2020	220,481	497,794	171,767
Issued for cash	131,895	72,956	50,466
Issued on reinvestment of distributions	–	3	–
Redeemed for cash	(39,680)	(284,655)	(9,219)
Balance, March 31, 2021	312,696	286,098	213,014

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 6. Net Assets attributable to holders of redeemable shares (continued)

NCM Core Global	Series R	Series M	ETF Series
Balance, September 30, 2020	227,528	148,603	80,000
Issued for cash	2,721	10,041	25,000
Redeemed for cash	(116,852)	(18,887)	–
Balance, March 31, 2021	113,397	139,757	105,000

Increase (decrease) in net assets attributable to holders of redeemable shares per share is calculated as follows:

Due to rounding, numbers presented may not calculate precisely and not reflect the absolute figures.

NCM Core Canadian - March 31, 2022	Series A	Series F	Series Z
Increase (decrease) in net assets attributable to holders of redeemable shares (in 000's of \$)	842	757	103
Average shares outstanding during the period (in 000's of shares)	182	145	18
Increase (decrease) in net assets attributable to holders of redeemable shares per share	\$4.62	\$5.23	\$5.64

NCM Core Canadian - March 31, 2022	Series R	Series M
Increase (decrease) in net assets attributable to holders of redeemable shares (in 000's of \$)	511	64
Average shares outstanding during the period (in 000's of shares)	78	15
Increase (decrease) in net assets attributable to holders of redeemable shares per share	\$6.58	\$4.16

NCM Core Canadian - March 31, 2021	Series A	Series F	Series Z
Increase (decrease) in net assets attributable to holders of redeemable shares (in 000's of \$)	606	498	63
Average shares outstanding during the period (in 000's of shares)	193	143	17
Increase (decrease) in net assets attributable to holders of redeemable shares per share	\$3.14	\$3.48	\$3.70

NCM Core Canadian - March 31, 2021	Series R	Series M
Increase (decrease) in net assets attributable to holders of redeemable shares (in 000's of \$)	402	86
Average shares outstanding during the period (in 000's of shares)	115	23
Increase (decrease) in net assets attributable to holders of redeemable shares per share	\$3.49	\$3.69

NCM Core Global - March 31, 2022	Series A	Series F	Series Z
Increase (decrease) in net assets attributable to holders of redeemable shares (in 000's of \$)	(865)	(595)	(365)
Average shares outstanding during the period (in 000's of shares)	350	310	235
Increase (decrease) in net assets attributable to holders of redeemable shares per share	\$(2.48)	\$(1.92)	\$(1.55)

NCM Core Global - March 31, 2022	Series R	Series M	ETF Series
Increase (decrease) in net assets attributable to holders of redeemable shares (in 000's of \$)	27	(167)	(271)
Average shares outstanding during the period (in 000's of shares)	27	130	202
Increase (decrease) in net assets attributable to holders of redeemable shares per share	\$1.02	\$(1.28)	\$(1.34)

NCM Core Global - March 31, 2021	Series A	Series F	Series Z
Increase (decrease) in net assets attributable to holders of redeemable shares (in 000's of \$)	586	972	469
Average shares outstanding during the period (in 000's of shares)	278	336	185
Increase (decrease) in net assets attributable to holders of redeemable shares per share	\$2.10	\$2.88	\$2.53

NCM Core Global - March 31, 2021	Series R	Series M	ETF Series
Increase (decrease) in net assets attributable to holders of redeemable shares (in 000's of \$)	499	381	106
Average shares outstanding during the period (in 000's of shares)	179	144	86
Increase (decrease) in net assets attributable to holders of redeemable shares per share	\$2.79	\$2.64	\$1.23

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 7. Management fees, expenses and key contracts

### (a) Manager and management fees:

NCM Core Canadian paid an annual management fee to the Manager of 1.75% for Series A, of the net asset value of the series. NCM Core Global paid an annual management fee to the Manager of 1.85% for Series A, of the net asset value of the series. The NCM Core Canadian paid an annual management fee of 0.75% for Series F, of the net asset value the series. The NCM Core Global paid an annual management fee of 0.85% for Series F and ETF Series, of the net asset value of the series. The management fee is calculated and paid monthly. No management fees were charged to Series Z; instead, the investors pay an annual flat management fee of \$1,000 per account, directly to the Manager. There are no management fees payable in respect of Series R shares. The NCM Funds and other funds and accounts managed or advised by the Manager and/or its affiliates that invest in Series R shares are charged a management fee for the provision of the services to them. Series M shares are not available for general public purchase. The Manager and its affiliates offer wealth management services including fee-based and managed accounts under the Cumberland Private Wealth brand, and the Series M shares are intended for such accounts. There is no management fee attached to series M.

Accrued expenses include management fees payable as follows:

<i>(in Canadian dollars)</i>	March 31, 2022	September 30, 2021
NCM Core Canadian	13,068	12,607
NCM Core Global	37,123	38,393

### (b) Expenses:

All fees and expenses applicable to the administration and operation of each series, including record keeping and communication costs, custodian fees, legal and filing fees, audit, applicable taxes and bank charges, are payable by the Funds. Brokerage costs are

expensed as incurred and included in transaction costs.

Accrued expenses include administration services payable to NCM as follows:

<i>(in Canadian dollars)</i>	March 31, 2022	September 30, 2021
NCM Core Canadian	1,624	1,532
NCM Core Global	5,489	5,526

### (c) Operating expense recoveries:

NCM has agreed to absorb certain expenses associated with some of the Funds. Such absorptions may be terminated at any time without notice.

Included in accounts receivable are the following related to these items:

	March 31, 2022	September 30, 2021
NCM Core Canadian	19,220	39,083
NCM Core Global	8,551	62,852

## 8. Brokerage commissions on securities transactions:

The Funds paid brokerage commissions in connection with portfolio transactions during the periods ended March 31, 2022 and 2021 amounting to:

	March 31, 2022	March 31, 2021
NCM Core Canadian	8,197	11,134
NCM Core Global	19,564	42,621

## 9. Securities lending transactions:

NCM Core Canadian engages in securities lending. Collateral received on securities lending may be comprised of debt obligations of the Government of Canada and other countries, Canadian provincial or territorial governments, governments of states of the United States of America, and evidence of indebtedness of financial institutions whose short-term debt is rated A-1 or R-1 or equivalent by a recognized, widely followed North American credit rating agency, corporate debt or corporate commercial paper, convertible securities or cash

# NCM CORE PORTFOLIOS LTD.

Notes to Interim Financial Statements  
(unaudited)

Six months ended March 31, 2022 and 2021

## 9. Securities lending transactions (continued):

that is not to be invested. The table below shows a reconciliation of the gross amount generated from securities lending transactions to the securities lending income earned by the Funds for the periods ended March 31, 2022 and 2021.

NCM Core Canadian				
<i>(In Canadian dollars)</i>				
	2022		2021	
Gross securities lending income	\$423	100.0%	\$529	100.0%
Withholding taxes	–	–%	–	–%
Agent fees	\$(169)	(40.0)%	\$(212)	(40.1)%
Securities lending income	\$254	60.0%	\$317	59.9%

<b>Security Lending:</b>	2022		2021	
Value of securities loaned	\$2,768,944		\$588,397	
Value of collateral received	\$2,911,548		\$617,817	



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