

March 31, 2023

INTERIM FINANCIAL STATEMENTS OF
NCM GROWTH AND
INCOME PORTFOLIO

TO THE UNITHOLDERS OF NCM GROWTH AND INCOME PORTFOLIO.

These unaudited interim financial statements are as at March 31, 2023. 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, 2023 and September 30, 2022, statements of comprehensive income, statements of changes in net assets attributable to holders of redeemable units, and statements of cash flows for the six months ended March 31, 2023 and March 31, 2022; 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 Growth and Income Portfolio.
May 25, 2023

NCM GROWTH AND INCOME PORTFOLIO

Interim Statements of Financial Position (unaudited)

(in Canadian dollars, except units outstanding)

As at	March 31 2023	September 30 2022
Assets		
Cash and cash equivalents	72,327	131,411
Dividends receivable	44,030	50,515
Interest receivable	27,513	26,475
Due from Manager (note 7)	46,913	112,540
Portfolio assets sold	—	107,301
Units issued	820	38,486
Investments, at fair value through profit or loss	18,539,847	19,661,115
Total assets	18,731,450	20,127,843

Liabilities

Accrued expenses (note 7)	48,414	55,040
Distributions payable	6,020	—
Units redeemed	5,936	2,499
Total liabilities (excluding net assets attributable to holders of redeemable units)	60,370	57,539
Net assets attributable to holders of redeemable units	18,671,080	20,070,304

Net assets attributable to holders of redeemable units:

Series A	9,979,403	10,125,345
Series F	6,495,752	7,587,754
Series T6	55,386	59,328
Series F6	1,153,281	1,177,846
Series M	987,258	1,120,031

Redeemable units outstanding (note 6):

Series A	402,858	426,631
Series F	249,811	306,212
Series T6	2,485	2,746
Series F6	50,032	52,969
Series M	36,757	43,952

Net assets attributable to holders of redeemable units per unit:

Series A	24.77	23.73
Series F	26.00	24.78
Series T6	22.29	21.61
Series F6	23.05	22.24
Series M	26.86	25.48

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, 2023 and 2022

(in Canadian dollars)

	2023	2022
Dividend income	184,431	233,391
Interest for distribution purposes	66,374	38,929
Net gain (loss) on investments at fair value through profit or loss		
Net realized gain (loss) on investments	(114,070)	1,548,771
Net change in unrealized appreciation (depreciation) in fair value of investments	1,330,101	(1,710,230)
Total investment revenue (loss)	1,466,836	110,861
Management fees (note 7)	115,647	179,597
Custodian and record keeping fees	19,340	22,008
HST/GST	13,905	18,884
Legal and filing fees	11,767	12,247
Administrative fees (note 7)	8,940	9,219
Audit fees	7,525	7,000
Other	6,191	4,687
Transaction costs	4,626	7,429
Tax and other professional fees	3,941	4,687
Computer services	3,026	2,912
Independent review committee	1,659	1,506
Operating expense recovery (note 7)	(46,913)	(59,821)
Total operating expenses	149,654	210,355
Increase (decrease) in net assets attributable to holders of redeemable units before tax	1,317,182	(99,494)
Withholding tax expense (recovery)	(1,795)	2,198
Increase (decrease) in net assets attributable to holders of redeemable units	1,318,977	(101,692)
Change in net assets attributable to holders of redeemable units (note 6):		
Series A	634,356	(73,701)
Series F	508,954	(32,385)
Series T6	3,617	(1,404)
Series F6	80,469	2,548
Series M	91,581	3,250
Change in net assets attributable to holders of redeemable units per unit (note 6):		
Series A	1.53	(0.16)
Series F	1.86	(0.06)
Series T6	1.42	(0.18)
Series F6	1.57	0.05
Series M	2.05	0.14

See accompanying notes to interim financial statements.

NCM GROWTH AND INCOME PORTFOLIO

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

Six months ended March 31, 2023 and 2022

(in Canadian dollars)

	All Series		Series A		Series F		Series T6		Series F6		Series M	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net assets attributable to holders of redeemable units, beginning of period	20,070,304	32,005,131	10,125,345	13,825,148	7,587,754	15,796,879	59,328	212,332	1,177,846	1,505,092	1,120,031	665,680
Increase (decrease) in net assets, attributable to holders of redeemable units	1,318,977	(101,692)	634,356	(73,701)	508,954	(32,385)	3,617	(1,404)	80,469	2,548	91,581	3,250
Transactions attributable to holders of redeemable units:												
Issuance of units	1,141,523	1,764,941	710,985	1,016,926	76,753	682,745	–	–	–	–	353,785	65,270
Reinvestment of distributions	352,090	1,866,282	195,530	811,558	130,355	1,010,725	–	–	–	–	26,205	43,999
Amounts paid on redemptions	(3,812,885)	(3,419,629)	(1,487,547)	(2,166,248)	(1,673,908)	(1,028,840)	(5,739)	(48,722)	(67,552)	(172,391)	(578,139)	(3,428)
	(2,319,272)	211,594	(581,032)	(337,764)	(1,466,800)	664,630	(5,739)	(48,722)	(67,552)	(172,391)	(198,149)	105,841
Distributions declared	(398,929)	(1,972,719)	(199,266)	(836,358)	(134,156)	(1,044,110)	(1,820)	(7,644)	(37,482)	(40,608)	(26,205)	(43,999)
	(398,929)	(1,972,719)	(199,266)	(836,358)	(134,156)	(1,044,110)	(1,820)	(7,644)	(37,482)	(40,608)	(26,205)	(43,999)
Net assets attributable to holders of redeemable units, end of period	18,671,080	30,142,314	9,979,403	12,577,325	6,495,752	15,385,014	55,386	154,562	1,153,281	1,294,641	987,258	730,772
Distributions per unit to holders of redeemable units			0.48	1.90	0.50	1.97	0.72	0.99	0.74	0.79	0.52	2.01

See accompanying notes to interim financial statements.

NCM GROWTH AND INCOME PORTFOLIO

Interim Statements of Cash Flows (unaudited)

Six months ended March 31, 2023 and 2022

(in Canadian dollars)

	2023	2022
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	1,318,977	(101,692)
Adjustments for:		
Net realized (gain) loss on sale of investments at fair value through profit or loss	114,070	(1,548,771)
Net change in unrealized (appreciation) depreciation of investments at fair value through profit or loss	(1,330,101)	1,710,230
Purchase of investments	(5,486,118)	(7,629,520)
Proceeds from the sale and the maturity of investments	7,930,351	8,973,661
Dividend income	(184,431)	(233,391)
Dividends received, net of withholding tax paid	192,711	269,150
Withholding tax paid (recovered)	(1,795)	2,198
Interest for distribution purposes	(66,374)	(38,929)
Interest received	65,336	38,929
Due from Manager	65,627	51,427
Accrued expenses	(6,626)	(5,327)
Net cash from (used in) operating activities	2,611,627	1,487,965
Cash flows from (used in) financing activities		
Proceeds from the issuance of redeemable units	1,179,189	1,743,493
Amounts paid on redemption of redeemable units	(3,809,448)	(3,363,806)
Distributions to holders of redeemable units, net of reinvestments	(40,819)	(99,149)
Net cash from (used in) financing activities	(2,671,078)	(1,719,462)
Net increase (decrease) in cash and cash equivalents	(59,451)	(231,497)
Effect of exchange rates on cash and cash equivalents	367	2,232
Cash and cash equivalents at beginning of period	131,411	327,718
Cash and cash equivalents at end of period	72,327	98,453

See accompanying notes to interim financial statements.

Schedule of Investment Portfolio (unaudited)

As at March 31, 2023

(in Canadian dollars)

Description	Number of Shares / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
MUTUAL FUND SHARES				
NCM Core Portfolios Ltd.				
NCM Core Canadian, Series 'O'	270	10,377	10,045	
NCM Core Global, Series 'O'	43,507	1,902,134	1,979,047	
		1,912,511	1,989,092	10.7%
TOTAL MUTUAL FUND SHARES		1,912,511	1,989,092	10.7%
CANADIAN EQUITIES				
Communication Services				
BCE Inc.	1,330	86,157	80,518	
Quebecor Inc., Class 'B'	1,170	33,484	39,090	
		119,641	119,608	0.7%
Consumer Discretionary				
Dollarama Inc.	580	45,231	46,846	
Gildan Activewear Inc.	1,460	54,352	65,554	
Martinrea International Inc.	16,700	166,800	243,319	
Pet Valu Holdings Ltd.	550	17,715	20,702	
		284,098	376,421	2.0%
Consumer Staples				
Alimentation Couche-Tard Inc.	520	32,686	35,334	
Jamieson Wellness Inc.	970	35,689	32,485	
Loblaw Cos. Ltd.	390	45,997	48,037	
		114,372	115,856	0.6%
Energy				
CES Energy Solutions Corp.	27,930	85,907	74,852	
Enerplus Corp.	2,040	36,409	39,739	
Gibson Energy Inc.	1,170	29,932	25,272	
Keyera Corp.	810	25,651	23,968	
Parkland Corp.	2,760	92,237	89,424	
Peyto Exploration & Development Corp.	2,660	37,951	32,213	
PHX Energy Services Corp.	2,560	22,344	17,408	
Secure Energy Services Inc.	11,510	89,147	72,628	
Topaz Energy Corp.	6,945	160,103	132,719	
Tourmaline Oil Corp.	750	59,282	42,240	
Whitecap Resources Inc.	4,960	49,961	51,832	
		688,924	602,295	3.2%

NCM GROWTH AND INCOME PORTFOLIO

Schedule of Investment Portfolio (continued)
(unaudited)

As at March 31, 2023

(in Canadian dollars)

Description	Number of Shares / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
Financials				
Alaris Equity Partners Income	6,970	121,470	116,817	
Canadian Western Bank	7,270	184,271	180,005	
Element Fleet Management Corp.	6,690	121,941	118,748	
EQB Inc.	2,010	110,242	117,183	
goeasy Ltd.	1,490	167,333	142,280	
Royal Bank of Canada	520	65,104	67,210	
Sun Life Financial Inc.	550	33,836	34,727	
Toronto-Dominion Bank (The)	450	37,409	36,428	
Trisura Group Ltd.	2,470	108,327	81,732	
		949,933	895,130	4.8%
Industrials				
ADENTRA Inc.	5,540	149,009	142,821	
Canadian National Railway Co.	355	57,426	56,612	
Dexterra Group Inc.	12,970	78,079	64,202	
Exchange Income Corp.	710	34,050	38,020	
Thomson Reuters Corp.	160	23,317	28,134	
		341,881	329,789	1.8%
Materials				
Alamos Gold Inc., Class 'A'	9,310	109,098	153,615	
Major Drilling Group International Inc.	2,980	28,450	31,678	
Richards Packaging Income Fund	2,530	126,357	100,542	
Stella-Jones Inc.	490	22,636	25,377	
Verde Agritech Ltd.	3,150	23,725	9,639	
		310,266	320,851	1.7%
Real Estate				
Choice Properties REIT	2,500	35,693	36,300	
CT REIT	9,800	163,497	157,094	
FirstService Corp.	164	28,055	31,231	
Granite REIT	750	59,759	62,767	
Slate Grocery REIT	1,780	27,156	24,333	
		314,160	311,725	1.7%

Description	Number of Shares / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
Utilities				
Superior Plus Corp.	8,400	94,468	93,576	
		94,468	93,576	0.5%
TOTAL CANADIAN EQUITIES		3,217,743	3,165,251	17.0%
EXCHANGED TRADED FUNDS				
CANADIAN EQUITIES ETFs				
BMO Global Infrastructure Index ETF				
	22,590	893,457	979,050	
Evolve Automobile Innovation Index Fund				
	17,700	834,059	505,689	
Evolve Cyber Security Index Fund				
	15,100	753,369	530,312	
iShares Global Agriculture Index ETF				
	5,206	288,675	348,073	
iShares Global Real Estate Index ETF				
	32,900	991,476	878,430	
iShares NASDAQ 100 Index ETF (CAD-Hedged)				
	7,800	749,807	789,906	
iShares S&P Global Water Index Fund				
	17,000	737,317	838,440	
Vanguard FTSE Developed All Cap ex North America Index ETF (CAD Hedged)				
	60,588	1,995,622	2,035,151	
		7,243,782	6,905,051	36.9%
TOTAL CANADIAN EQUITIES ETFs		7,243,782	6,905,051	36.9%
UNITED STATES BOND ETFs				
SPDR Bloomberg Short Term High Yield Bond ETF				
	45,125	1,530,119	1,516,977	
		1,530,119	1,516,977	8.1%
TOTAL UNITED STATES BOND ETFs		1,530,119	1,516,977	8.1%
UNITED STATES EQUITIES ETFs				
BMO High Yield US Corporate Bond Hedged to CAD Index ETF				
	62,800	833,922	682,636	
Invesco Dynamic Leisure and Entertainment ETF				
	7,500	439,504	413,009	
iShares CDN S&P 500 Hedged to Canadian Dollars Index Fund				
	17,900	742,841	778,650	

NCM GROWTH AND INCOME PORTFOLIO

Schedule of Investment Portfolio (continued)
(unaudited)

As at March 31, 2023

(in Canadian dollars)

Description	Number of Shares / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
iShares Global Clean Energy ETF	14,600	400,399	390,831	
		2,416,666	2,265,126	12.2%
TOTAL UNITED STATES EQUITIES ETFS		2,416,666	2,265,126	12.2%
TOTAL EXCHANGE TRADED FUNDS		11,190,567	10,687,154	57.2%

CANADIAN BONDS (Par Value in CAD except as otherwise stated)

Corporate

AltaLink L.P., Callable, 2.747%, 2026/05/29	245,000	234,416	234,858	
Brookfield Property Finance ULC, Callable, Series 3, 4.300%, 2024/03/01	110,000	107,580	106,932	
Fairfax Financial Holdings Ltd., Callable, 4.250%, 2027/12/06	245,000	232,015	235,374	
Glacier Credit Card Trust, Series '19- 1', 3.430%, 2024/06/06	110,000	105,901	106,689	
goeasy Ltd., Callable, 5.375%, 2024/12/01	80,000	104,252	102,124	
Parkland Corp., Callable, 6.000%, 2028/06/23	245,000	233,363	239,232	
Pembina Pipeline Corp., Callable, Series '10', 4.020%, 2028/03/27	220,000	209,594	212,479	
Rogers Communications Inc., Restricted, 3.100%, 2025/04/15	110,000	105,138	106,328	
Royal Bank of Canada, Variable Rate, Callable, 3.650%, 2081/11/24	220,000	184,800	162,142	

Description	Number of Shares / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
Sun Life Financial Inc., Variable Rate, Callable, 2.800%, 2033/11/21	205,000	180,984	182,380	
TransCanada PipeLines Ltd., Callable, 3.390%, 2028/03/15	220,000	204,534	206,850	
Videotron Ltd., Callable, 3.625%, 2028/06/15	220,000	187,000	194,288	
		2,089,577	2,089,676	11.2%
Provincial Government & Guaranteed				
Province of British Columbia, 2.850%, 2025/06/18	140,000	137,742	137,207	
Province of Ontario, 3.500%, 2024/06/02	335,000	335,543	332,164	
Province of Quebec, 3.750%, 2024/09/01	140,000	140,896	139,303	
		614,181	608,674	3.2%
TOTAL BONDS		2,703,758	2,698,350	14.4%
Less: Transaction costs included in average cost		(3,648)		
TOTAL INVESTMENTS		19,020,931	18,539,847	99.3%
Other assets, less liabilities			131,233	0.7%
TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			18,671,080	100.0%

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six months ended March 31, 2023 and 2022

1. Reporting entity

NCM Growth and Income Portfolio (the “Fund”) is an open-ended mutual fund trust established under the laws of Alberta pursuant to a Declaration of Trust dated August 27, 2018. The Fund’s principal place of business is Suite 1850, 333 7th Avenue SW, Calgary, Alberta, T2P 2Z1.

The Fund may issue an unlimited number of units. Each unit represents an equal undivided interest in the net assets of the Fund; however, the value of a Trust Unit in one Class may differ from the value of a Trust Unit in another Class, depending on the Net Asset Value of that particular Class.

NCM Asset Management Ltd. is the investment fund manager and the portfolio manager (the “Manager”) of the Fund. Effective May 15, 2020 the Trustee changed to NCM Asset Management Ltd. CIBC Mellon Trust Company (“CIBC Mellon”) is the custodian of the Fund.

The Fund (in this context, the “Top Fund”) may invest in securities of other funds within the NCM Group of funds (in this context, each an Underlying Fund).

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 Fund’s significant accounting principles 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 Fund were approved and were authorized for issue by the Manager’s Board of Directors on May 25, 2023.

(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 which are measured at fair value.

(c) Functional and presentation currency:

The financial statements are presented in Canadian dollars, which is the Fund’s 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 areas requiring the use of management estimates include the fair value of investments and the unrealized gains/losses from investments.

3. Significant accounting policies

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

(a) Financial assets and financial liabilities:

(i) Recognition and initial measurement

Financial assets and financial liabilities at fair value through profit or loss 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 originated.

Financial assets and financial liabilities at fair value through profit or loss (“FVTPL”) are initially recognized at fair value, with transaction costs recognized in profit or loss. Financial assets or financial liabilities not at FVTPL are initially

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six months ended March 31, 2023 and 2022

3. Significant accounting policies (continued)

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

(i) Recognition and initial measurement (continued)

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 assets and substantially all the risks and rewards of ownership of the asset to another entity. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

(iii) Classification

The Fund follows 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 of derivatives.

The Fund classifies 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 units

The Fund designates 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.

When available, the Fund measures fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Fund measures instruments quoted in an active market at last traded price.

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six months ended March 31, 2023 and 2022

3. Significant accounting policies (continued)

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

(iv) Fair value measurement (continued)

For securities where market quotes are not available, the Fund values the initial investment at the amount paid. After initial investment, the Fund uses estimation techniques to determine fair value including observable market data, discounted cash flows and internal models that compare the investments to its peer group.

Fair value of investments in restricted units is determined using an economic model taking into account various factors including risk free rate of interest, volatility, market value and length of restriction.

Fair value of investments in bonds, asset-backed securities and secured loans represents a price that may fall between the last bid and ask price provided by an independent security pricing service, depending on which service provider is used.

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

(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 Fund in the management of short-term commitments, other than cash collateral provided in respect of derivatives and securities borrowing transactions.

Redeemable units

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Fund has multiple classes of redeemable units that do not have identical features and therefore, do not qualify as equity under IAS 32, Financial Instruments: Presentation. The redeemable units, 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 unit price based on the Fund's valuation policies at each redemption date. The units represent the residual interest in the Fund.

(b) Interest for distribution purposes:

The interest for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund accounted for on an accrual basis and is recognized through profit or loss. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities.

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six months ended March 31, 2023 and 2022

3. Significant accounting policies (continued)

(c) 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.

(d) Distributions to holders of redeemable units:

Any distribution made will be in proportion to the number of units held by each unitholder.

Distributions per unit are calculated as the total amount of distributions divided by the number of units on the record date.

(e) 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.

(f) Income tax:

As at March 31, 2023 the Fund was a “mutual fund trust” under the Income Tax Act (Canada) and, accordingly, is not taxed on that portion of its taxable income that is paid or allocated to unitholders. The Fund pays out sufficient net income and net realized capital gains so that it will not be subject to income taxes. Accordingly, no provision for income taxes has been made in these financial statements.

However, 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 Fund incurred withholding tax expense (recovery) of \$(1,795) (March 31, 2022 - \$2,198) for the period ended March 31, 2023.

(g) Increase (decrease) in net assets attributable to holders of redeemable units:

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

Change in net assets attributable to holders of redeemable units per unit is calculated as increase (decrease) in net assets attributable to holders of redeemable units, divided by the weighted average units outstanding during the period.

(h) 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.

(i) Derivative financial instruments:

The Fund may use derivative financial instruments with the Fund's other instrument strategies. Derivative financial instruments are recorded at mark to market with changes in fair value recorded in the statement of comprehensive income.

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Six months ended March 31, 2023 and 2022

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 Fund determines 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 the 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 Fund recognizes 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 the reporting dates 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.

<i>(in Canadian dollars)</i>	Level 1	Level 2	Level 3	Total
March 31, 2023				
Public securities				
Equities	3,165,251	—	—	3,165,251
Equity and Bond ETFs	10,687,154	—	—	10,687,154
Bonds	—	2,698,350	—	2,698,350
Underlying Funds	—	1,989,092	—	1,989,092
Total Investments	13,852,405	4,687,442	—	18,539,847

<i>(in Canadian dollars)</i>	Level 1	Level 2	Level 3	Total
September 30, 2022				
Public securities				
Equities	3,672,279	—	—	3,672,279
Equity and Bond ETFs	11,678,016	513,400	—	12,191,416
Bonds	—	3,231,285	—	3,231,285
Underlying Funds	—	566,135	—	566,135
Total Investments	15,350,295	4,310,820	—	19,661,115

There was a transfer out of Level 2 to Level 1 for Evolve Cyber Security Index Fund during the period ended March 31, 2023 and September 30, 2022. This security was not traded on September 30, 2022 while the security was traded on March 31, 2023. Therefore, the FAS Levels changed.

(c) Financial instruments not measured at fair value:

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

NCM GROWTH AND INCOME PORTFOLIO

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5. Financial instruments and associated risks

The Fund's 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 Fund's overall risk management program seeks to maximize the returns derived for the level of risk to which the fund is exposed and seeks to minimize potential adverse effects on the Fund's 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 Fund 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 Fund. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. The carrying amount of bonds, including those in the Underlying Funds, and ETF's represents credit risk exposure as at March 31, 2023 and September 30, 2022. This also applies to the carrying amount of cash and cash equivalents and receivables as they have short-term settlement.

A portion of the Fund's portfolio, including Underlying Funds and ETF's, may consist of instruments that have a credit quality rated below investment grade by internationally recognized credit rating organizations or may be unrated. These securities involve significant risk exposure as there is uncertainty regarding the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations. Low rated and unrated debt instruments generally offer a higher current yield than that available from higher grade issuers, but typically involve greater risk.

As at March 31, 2023 and September 30, 2022, the Fund was invested in debt securities with the following credit rating:

Debt Security by Credit Rating	% of Assets Under Management in each category	
	March 31, 2023	September 30, 2022
AA	1.4%	3.4%
A	4.6%	5.7%
BBB	5.0%	4.9%
Below BBB	3.4%	2.1%

Credit risk arising on transactions for units issued 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 Fund mitigates 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 units 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 Fund are held by CIBC Mellon, the Custodian. Bankruptcy or insolvency of the Custodian may cause the Fund's rights with respect to securities held by the custodian to be delayed or limited. The Fund monitors its risk by monitoring the credit quality and credit rating and financial positions of the custodian. If the credit quality or the financial position deteriorates significantly then the Portfolio Manager will move the investment or cash holdings to another financial institution.

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5. Financial instruments and associated risks (continued)

Credit risk (continued):

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

Other than outlined above there were no significant concentrations of credit risk to counterparties at March 31, 2023 and September 30, 2022.

Liquidity risk:

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

The Fund and its Underlying Funds are exposed to daily cash redemptions of redeemable units. Investments in small, mid-capitalization 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 Underlying Fund may have to liquidate shareholdings in the more liquid large and medium-sized companies.

To the extent that the liquidity is limited, the Fund's ability to realize profits and/or minimize losses may be limited, which could adversely affect the net asset value of the Fund. Also, the Underlying Fund's investments may include unlisted equity and debt instruments which are not traded on an organized public market and which may be illiquid. As a result, the Underlying Fund may not be able to quickly liquidate some of its investments in these instruments at an amount close to their fair value in order to meet their liquidity requirements. The Fund believes it maintains sufficient cash and cash equivalent positions to maintain liquidity.

The Fund's liquidity risk is managed on a daily basis by the Portfolio Manager. The Fund's redemption policy allows for redemptions at any time during any given month.

The Fund is subject to regulatory requirements whereby the Fund shall not purchase an illiquid asset if, immediately after the purchase, more than ten percent of the net assets of the 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 Fund's strategy on the management of investment risk is driven by the Fund's investment objective. The Fund is designed to provide investors with long term capital appreciation and some current income by investing, directly or indirectly through investments in Underlying Funds, in a diversified portfolio of equity securities and fixed-income securities from anywhere in the world.

The Fund may engage in a limited amount of short selling as well as in securities lending, repurchase and reverse repurchase transactions. The Fund may also invest in derivatives (including forward contracts, calls and puts) and in Horizon BetaPro ETF's. These transactions will be used to achieve the Fund's overall investment objectives and to enhance the Fund's returns.

No material change in the investment objectives, policies or restrictions of the 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 Fund's market risk is managed on a daily basis by the Portfolio Manager in accordance with the policies and procedures in place.

NCM GROWTH AND INCOME PORTFOLIO

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Six months ended March 31, 2023 and 2022

5. Financial instruments and associated risks (continued)

Market risk (continued):

Details of the nature of the Fund's investment portfolio at March 31, 2023 are disclosed in the schedule of investment portfolio.

(a) Currency risk:

The Fund may invest in financial instruments and enter into transactions denominated in currencies other than the Canadian dollar. In addition, some of the Underlying Funds and ETF's hold investments in global currencies. Consequently, the Fund is exposed to risks that the exchange rate of the Canadian dollar to other foreign currencies may fluctuate.

At the reporting date the Fund had 13.1% and (September 30, 2022 – 11.4%) of its net asset value in USD currency.

Sensitivity analysis:

At March 31, 2023 had the Canadian dollar strengthened or weakened by 1% in relation to all currencies with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased by \$24,372 (September 30, 2022 - \$22,823). In practice the actual trading results may differ from this sensitivity analysis and difference could be material.

(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 bonds rise. This is because the interest on 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 Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing market interest rates.

High yield corporate bond prices are impacted by the credit metrics, liquidity and business fundamentals of the corporate entity movements in underlying interest rates and inflows and outflows in and out of high yield space.

The table below summarizes the Fund's exposure to interest rate risks at March 31, 2023 and September 30, 2022. It includes the Fund's assets at fair values, categorized by the maturity dates.

	Less than 1 year	1 to 3 years	3 to 5 years	>5 years	Total
March 31, 2023					
All amounts stated in Canadian dollars					
Corporate bonds	106,932	923,815	889,561	778,042	2,698,350

	Less than 1 year	1 to 3 years	3 to 5 years	>5 years	Total
September 30, 2022					
All amounts stated in Canadian dollars					
Corporate bonds	306,516	850,353	455,402	1,619,014	3,231,285

(c) Other price risk:

Other price risk is the risk that 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.

However, if the Fund holds short positions it is subject to certain inherent risks. The ultimate cost to the Fund to acquire these securities may exceed the liability reflected in these financial statements.

NCM GROWTH AND INCOME PORTFOLIO

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Six months ended March 31, 2023 and 2022

5. Financial instruments and associated risks (continued)

Market risk (continued):

(c) Other price risk (continued):

Price risk is managed by the Fund's Portfolio Manager by constructing a diverse portfolio of securities. 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 their knowledge of the market conditions and diversify the portfolio of investments accordingly. The 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 underlying Fund indices and in the blended index; 5% S&P 3-Month Canada Treasury Bill Index, 27.5% FTSE Canada Universe Bond Index, 22.5% S&P/TSX Composite Total Return Index, 31.5% Morningstar Developed Markets Target Market Exposure NR USD, 13.5% Morningstar Developed Markets Target Market Exposure NR EUR, for the remaining securities that are contained in the portfolio at March 31, 2023 and September 30, 2022, is an increase or decrease in the net assets attributable to holders of redeemable units of approximately:

(In Canadian dollars)	Total Return Index	Change in Net Assets (\$)	
		2023	2022
Underlying Funds			
NCM Core Canadian	S&P TSX Composite Total Return Index 70& Morningstar Developed Markets Target Market Exposure NR USD and 30% Morningstar Developed Market Target Market	100	94
NCM Core Global	Exposure NR EUR	19,790	5,567
Total Underlying Funds		19,890	5,661
Total Bonds		26,983	32,313
Total Equities		31,653	36,723
Total ETFs		106,872	121,914
Total		185,398	196,611

In practice, the actual trading results may differ from this estimate and the difference could be material. The Fund's financial assets exposed to other price risk were concentrated in the following industries as a percentage of total investments at March 31, 2023 and September 30, 2022:

	2023	2022
Energy	3.2%	3.3%
Materials	1.7%	2.3%
Industrials	1.8%	2.7%
Consumer Discretionary	2.0%	2.6%
Consumer Staples	0.6%	1.3%
Health Care	–	0.5%
Financials	4.8%	4.5%
Information Technology	–	0.9%
Communication Services	0.7%	1.7%
Utilities	0.5%	0.6%
Real Estate	1.7%	1.2%
Mutual Funds	10.8%	–
Bonds	14.5%	16.4%
Exchange Traded Funds	57.7%	62.0%
Total	100.0%	100.0%

NCM GROWTH AND INCOME PORTFOLIO

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6. Net assets attributable to unitholders of redeemable units

Redeemable units

The authorized capital of the Fund consists of an unlimited number of units, issuable in series. Currently, the Fund is offered in five series of units: Series A units, Series F units, Series M units, Series T6 units, and Series F6 units. Each series ranks equally with respect to distributions and return of capital in the event of liquidation, dissolution or winding up based on their respective series' net asset values. Each series pays its own fees and expenses. The general expenses that are not series specific are allocated in proportion to the annual weighted average units of each series. Series A and Series T6 are sold 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 units 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 F6 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 F6 is redeemed in the first 30 days.

Series M units are not available for general public purchase.

The units may be redeemed daily at the net asset value per unit of the respective series.

The analysis of movements in the number of redeemable units and net assets attributable to holders of redeemable units during the periods ended March 31, 2023 and 2022 was as follows:

Series A	2023	2022
Balance, opening	426,631	477,510
Issued on dividends reinvested	8,131	28,778
Issued for cash	29,396	35,586
Redeemed for cash	(61,300)	(74,764)
Balance, March 31	402,858	467,110

Series F	2023	2022
Balance, opening	306,212	528,361
Issued on dividends reinvested	5,178	34,614
Issued for cash	2,957	22,980
Redeemed for cash	(64,536)	(35,628)
Balance, March 31	249,811	550,327

Series T6	2023	2022
Balance, opening	2,746	8,020
Redeemed for cash	(261)	(1,917)
Balance, March 31	2,485	6,103

Series F6	2023	2022
Balance, opening	52,969	56,232
Redeemed for cash	(2,937)	(6,310)
Balance, March 31	50,032	49,922

Series M	2023	2022
Balance, opening	43,952	21,848
Issued on dividends reinvested	1,010	1,475
Issued for cash	13,362	2,331
Redeemed for cash	(21,567)	(119)
Balance, March 31	36,757	25,535

The calculation of the increase (decrease) in net assets attributable to holders of redeemable units per unit is presented below. Due to rounding, numbers presented may not calculate precisely and not reflect the absolute figures.

March 31, 2023	Series A	Series F	Series T6
Increase (decrease) in net assets attributable to holders of redeemable units (in 000's of \$)	634	509	4
Average units outstanding during the period (in 000's of units)	415	274	3
Increase (decrease) in net assets attributable to holders of redeemable units per unit	\$1.53	\$1.86	\$1.42

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6. Net assets attributable to unitholders of redeemable units (continued)

Redeemable units (continued)

March 31, 2023	Series F6	Series M
Increase (decrease) in net assets attributable to holders of redeemable units (in 000's of \$)	80	92
Average units outstanding during the period (in 000's of units)	51	45
Increase (decrease) in net assets attributable to holders of redeemable units per unit	\$1.57	\$2.05

March 31, 2022	Series A	Series F	Series T6
Increase (decrease) in net assets attributable to holders of redeemable units (in 000's of \$)	(74)	(32)	(1)
Average units outstanding during the period (in 000's of units)	462	546	8
Increase (decrease) in net assets attributable to holders of redeemable units per unit	\$(0.16)	\$(0.06)	\$(0.18)

March 31, 2022	Series F6	Series M
Increase (decrease) in net assets attributable to holders of redeemable units (in 000's of \$)	3	3
Average units outstanding during the period (in 000's of units)	52	23
Increase (decrease) in net assets attributable to holders of redeemable units per unit	\$0.05	\$0.14

7. Management fees, expenses and key contracts

(a) Manager and management fees:

Series A and Series T6 paid an annual management fee to the Manager of 1.85% of the net asset value of the series. Series F and F6 paid an annual management fee to the Manager of 0.85% of the net asset value of the series. The management fee is calculated and paid monthly. Series M units 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 units are intended for such accounts. There is no management fee attached to Series M.

Included in accrued expenses at March 31, 2023 is \$18,472 (September 30, 2022 - \$22,280) related to these fees.

(b) Expenses:

All fees and expenses applicable to the administration and operation of the Fund, including recordkeeping and communication costs, custodian fees, legal and filing fees, audit, applicable taxes and bank charges are payable by the Fund. The Portfolio Manager has charged the Fund for administration services. Included in accrued expenses is March 31, 2023 is \$1,469 (September 30, 2022 - \$2,271) related to these fees.

(c) Operating expense recoveries:

The Manager has agreed to absorb certain expenses associated with some of the Funds. Such absorptions may be terminated at any time without notice. Included in Due from Manager at March 31, 2023 is \$46,913 (September 30, 2022 is \$112,540) related to these fees.

8. Involvement with unconsolidated structured entities

The Fund holds interests in structured entities that it does not consolidate. The purpose of the investment is to manage assets on behalf of third party investors and generate fees for the investment manager. These vehicles are financed through the issue of units to investors.

The table below sets out interests held by the Fund in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

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8. Involvement with unconsolidated structured entities (continued)

	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
(in Canadian dollars)			
March 31, 2023			
NCM Core Portfolios Ltd.:			
NCM Core Canadian		\$12,350,270	\$10,045
NCM Core Global		38,133,068	1,979,047
Exchange Traded Funds	13	24,317,288,130	10,687,154
Total		\$24,367,771,468	\$12,676,246

	Number of investee funds held	Total net assets of investee funds	Carrying amount included in investments
(in Canadian dollars)			
September 30, 2022			
NCM Core Portfolios Ltd.:			
NCM Core Canadian		\$12,153,376	\$9,400
NCM Core Global		42,761,315	556,735
Exchange Traded Funds	12	14,374,463,226	12,191,416
Total		\$14,429,377,917	\$12,757,551

During the periods ended March 31, 2023 and September 30, 2022, the Fund did not provide financial support to unconsolidated structured entities and had no intention of providing financial or other support.

The Fund can redeem units in the above investment Funds daily at the net asset value per unit of the respective series.

9. Brokerage commissions on securities transactions

The Fund paid brokerage commissions amounting to \$3,124 (March 31, 2022 - \$4,450) in connection with portfolio transactions during the period.



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