

March 31, 2024

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, 2024. 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, 2024 and September 30, 2023, 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, 2024 and March 31, 2023; 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 28, 2024

NCM GROWTH & INCOME PORTFOLIO

Interim Statements of Financial Position (unaudited)

(in Canadian dollars, except units outstanding)

As at March 31 September 30
2024 2023

Assets

Cash and cash equivalents	859,488	311,564
Dividends receivable	30,746	48,120
Interest receivable	26,193	19,880
Due from Manager (note 7)	7,700	56,822
Subscriptions receivable	40,924	720
Investments, at fair value through profit or loss	16,592,586	16,539,358
Total assets	17,557,637	16,976,464

Liabilities

Accrued expenses (note 7)	44,862	52,422
Redemptions payable	2,755	1,834

Total liabilities (excluding net assets attributable to holders of redeemable units) 47,617 54,256

Net assets attributable to holders of redeemable units 17,510,020 16,922,208

Net assets attributable to holders of redeemable units:

Series A	7,054,536	8,987,082
Series F	5,346,408	5,952,521
Series T6	44,115	46,325
Series F6	1,054,639	990,559
Series M	4,010,322	945,721

Redeemable units outstanding (note 6):

Series A	261,804	370,004
Series F	187,032	232,219
Series T6	1,911	2,184
Series F6	43,738	44,936
Series M	134,615	35,557

Net assets attributable to holders of redeemable units per unit:

Series A	26.94	24.29
Series F	28.58	25.63
Series T6*	23.09	21.21
Series F6	24.11	22.04
Series M	29.79	26.60

*Due to rounding, the NAV/unit presented may not calculate precisely and reflect the absolute figure.

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, 2024 and 2023

(in Canadian dollars)

2024 2023

Dividend income	156,524	184,431
Interest for distribution purposes	55,267	66,374
Net gain (loss) on investments at fair value through profit or loss		
Net realized gain (loss) on investments	460,851	(114,070)
Net change in unrealized appreciation (depreciation) in fair value of investments	1,428,272	1,330,101
Total investment revenue (loss)	2,100,914	1,466,836

Management fees (note 7)	101,544	115,647
Custodian and record keeping fees	19,563	19,340
HST/GST	12,843	13,905
Legal and filing fees	11,949	11,767
Audit fees	9,579	7,525
Transaction costs	6,966	4,626
Administrative fees (note 7)	6,215	8,940
Tax and other professional fees	5,884	3,941
Other	5,193	6,191
Computer services	2,624	3,026
Independent review committee	1,332	1,659
Operating expense recovery (note 7)	(7,700)	(46,913)
Total operating expenses	175,992	149,654

Increase (decrease) in net assets attributable to holders of redeemable units before tax 1,924,922 1,317,182

Withholding tax expense (recovery) 674 (1,795)

Increase (decrease) in net assets attributable to holders of redeemable units 1,924,248 1,318,977

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

Series A	917,577	634,356
Series F	683,411	508,954
Series T6	4,896	3,617
Series F6	121,816	80,469
Series M	196,548	91,581

Change in net assets attributable to holders of redeemable units per unit (note 6):

Series A	2.97	1.53
Series F	3.20	1.86
Series T6	2.48	1.42
Series F6	2.76	1.57
Series M	3.62	2.05

See accompanying notes to interim financial statements.

NCM GROWTH & INCOME PORTFOLIO

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

Six months ended March 31, 2024 and 2023

(in Canadian dollars)

	All Series		Series A		Series F		Series T6		Series F6		Series M	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net assets attributable to holders of redeemable units, beginning of period	16,922,208	20,070,304	8,987,082	10,125,345	5,952,521	7,587,754	46,325	59,328	990,559	1,177,846	945,721	1,120,031
Increase (decrease) in net assets, attributable to holders of redeemable units	1,924,248	1,318,977	917,577	634,356	683,411	508,954	4,896	3,617	121,816	80,469	196,548	91,581
Transactions attributable to holders of redeemable units:												
Issuance of units	3,279,490	1,141,523	96,538	710,985	4,000	76,753	–	–	–	–	3,178,952	353,785
Reinvestment of distributions	145,014	352,090	74,906	195,530	60,017	130,355	–	–	–	–	10,091	26,205
Redemptions	(4,579,976)	(3,812,885)	(2,944,880)	(1,487,547)	(1,291,084)	(1,673,908)	(5,812)	(5,739)	(27,300)	(67,552)	(310,900)	(578,139)
	(1,155,472)	(2,319,272)	(2,773,436)	(581,032)	(1,227,067)	(1,466,800)	(5,812)	(5,739)	(27,300)	(67,552)	2,878,143	(198,149)
Distributions declared	(180,964)	(398,929)	(76,687)	(199,266)	(62,457)	(134,156)	(1,294)	(1,820)	(30,436)	(37,482)	(10,090)	(26,205)
	(180,964)	(398,929)	(76,687)	(199,266)	(62,457)	(134,156)	(1,294)	(1,820)	(30,436)	(37,482)	(10,090)	(26,205)
Net assets attributable to holders of redeemable units, end of period	17,510,020	18,671,080	7,054,536	9,979,403	5,346,408	6,495,752	44,115	55,386	1,054,639	1,153,281	4,010,322	987,258
Distributions per unit to holders of redeemable units			0.28	0.48	0.29	0.50	0.66	0.72	0.69	0.74	0.30	0.52

See accompanying notes to interim financial statements.

NCM GROWTH & INCOME PORTFOLIO

Interim Statements of Cash Flows (unaudited)

Six months ended March 31, 2024 and 2023

(in Canadian dollars)

	2024	2023
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	1,924,248	1,318,977
Adjustments for:		
Net realized (gain) loss on sale of investments at fair value through profit or loss	(460,851)	114,070
Net change in unrealized (appreciation) depreciation of investments at fair value through profit or loss	(1,428,272)	(1,330,101)
Purchase of investments	(4,056,870)	(5,486,118)
Proceeds from the sale and maturity of investments	5,895,015	7,930,351
Dividend income	(156,524)	(184,431)
Dividends received, net of withholding tax paid	173,224	192,711
Withholding tax paid (recovered)	674	(1,795)
Interest for distribution purposes	(55,267)	(66,374)
Interest received	48,954	65,336
Due from Manager	49,122	65,627
Accrued expenses	(7,560)	(6,626)
Net cash from (used in) operating activities	1,925,893	2,611,627
Cash flows from (used in) financing activities		
Proceeds from the issuance of redeemable units	3,239,286	1,179,189
Amounts paid on redemption of redeemable units	(4,579,055)	(3,809,448)
Distributions to holders of redeemable units, net of reinvestments	(35,950)	(40,819)
Net cash from (used in) financing activities	(1,375,719)	(2,671,078)
Net increase (decrease) in cash and cash equivalents	550,174	(59,451)
Effect of exchange rates on cash and cash equivalents	(2,250)	367
Cash and cash equivalents at beginning of period	311,564	131,411
Cash and cash equivalents at end of period	859,488	72,327

See accompanying notes to interim financial statements.

Schedule of Investment Portfolio (unaudited)

As at March 31, 2024

(in Canadian dollars)

Description	Number of Shares / Warrants / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
MUTUAL FUND SHARES				
NCM Core Portfolios Ltd.				
NCM Core Canadian, Series 'O'	280	10,711	10,926	
NCM Core Global, Series 'O'	77,882	3,795,459	4,309,665	
		3,806,170	4,320,591	24.7%
MUTUAL FUND SHARES				
		3,806,170	4,320,591	24.7%
CANADIAN EQUITIES				
Consumer Discretionary				
Martinrea International Inc.				
	4,650	46,444	56,544	
		46,444	56,544	0.3%
Energy				
CES Energy Solutions Corp.				
	6,900	21,223	32,499	
Headwater Exploration Inc.				
	5,394	33,942	41,372	
Keyera Corp.				
	2,140	70,026	74,665	
Peyto Exploration & Development Corp.				
	5,622	68,237	83,936	
Secure Energy Services Inc.				
	4,300	33,304	47,945	
Topaz Energy Corp.				
	3,145	72,502	70,134	
Whitecap Resources Inc.				
	1,950	19,525	19,987	
		318,759	370,538	2.1%
Financials				
Alaris Equity Partners Income				
	3,400	57,856	58,140	
Canadian Western Bank				
	1,800	45,624	50,760	
EQB Inc.				
	600	32,908	50,970	
goeasy Ltd. Toronto-Dominion Bank (The)				
	300	33,691	47,817	
	550	45,356	44,962	
		215,435	252,649	1.5%
Industrials				
AG Growth International Inc.				
	850	49,254	52,156	
Dexterra Group Inc.				
	9,030	53,701	50,116	

NCM GROWTH & INCOME PORTFOLIO

Schedule of Investment Portfolio (continued)

As at March 31, 2024
(unaudited)

(in Canadian dollars)

Description	Number of Shares / Warrants / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
Element Fleet				
Management Corp.	3,174	57,854	69,479	
Exchange Income				
Corp.	1,338	70,263	66,244	
Mullen Group Ltd.	3,176	47,115	46,116	
		278,187	284,111	1.6%
Information Technology				
Constellation Software Inc., Warrants, 2028/08/22	16	—	—	
		—	—	0.0%
Materials				
Alamos Gold Inc., Class 'A'	2,350	27,935	46,930	
		27,935	46,930	0.3%
Real Estate				
CT REIT	5,550	92,077	79,199	
Granite REIT	500	39,808	38,655	
Information Services Corp., Class 'A'	6,100	138,747	168,909	
		270,632	286,763	1.6%
Utilities				
Superior Plus Corp.	5,400	59,581	54,486	
		59,581	54,486	0.3%
TOTAL CANADIAN EQUITIES		1,216,973	1,352,021	7.7%
CANADIAN EQUITIES ETFS				
Exchanged Traded Funds				
BMO Global Infrastructure Index ETF	19,190	764,311	821,332	
Evolve Automobile Innovation Index Fund	15,000	705,321	306,450	
Evolve Cyber Security Index Fund	6,960	347,205	329,904	
iShares Global Agriculture Index ETF	5,406	307,569	354,255	
iShares Global Real Estate Index ETF	27,900	840,796	798,219	
iShares S&P Global Water Index Fund	10,400	483,037	569,504	
Vanguard FTSE Developed All Cap ex North America Index ETF (CAD Hedged)	51,938	1,762,075	2,052,070	

Description	Number of Shares / Warrants / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
		5,210,314	5,231,734	29.9%
TOTAL CANADIAN EQUITIES ETFS		5,210,314	5,231,734	29.9%
UNITED STATES BOND ETFS				
Exchanged Traded Funds				
SPDR Bloomberg Short Term High Yield Bond ETF	28,191	955,913	962,130	
		955,913	962,130	5.5%
TOTAL UNITED STATES BOND ETFS		955,913	962,130	5.5%
UNITED STATES EQUITIES ETFS				
BMO High Yield US Corporate Bond Hedged to CAD Index ETF	53,540	704,251	593,759	
Invesco Leisure and Entertainment ETF	7,500	439,504	468,698	
iShares CDN S&P 500 Hedged to Canadian Dollars Index Fund, CAD-Hedged Units	12,700	526,651	700,024	
iShares Global Clean Energy ETF	14,600	400,399	276,209	
		2,070,805	2,038,690	11.6%
TOTAL UNITED STATES EQUITIES ETFS		2,070,805	2,038,690	11.6%
TOTAL EXCHANGE TRADED FUNDS		8,237,032	8,232,554	47.0%
CANADIAN BONDS (Par Value in CAD except as otherwise stated)				
Corporate				
AltaLink L.P., Callable, 2.747%, 2026/05/29	245,000	234,416	236,029	
Bank of Nova Scotia, 5.650%, 2034/02/01	150,000	206,260	209,443	
Equitable Bank, 3.362%, 2026/03/02	200,000	192,092	192,727	
Fairfax Financial Holdings Ltd., Callable, 4.250%, 2027/12/06	195,000	186,508	190,762	
Glacier Credit Card Trust, Series '2023', 6.881%, 2028/09/20	110,000	110,000	113,959	
goeasy Ltd., Callable, 4.375%, 2026/05/01	150,000	194,689	195,383	
Mattamy Group Corp., Callable, 5.250%, 2027/12/15	60,000	78,959	78,837	

NCM GROWTH & INCOME PORTFOLIO

Schedule of Investment Portfolio (continued)

As at March 31, 2024
(unaudited)

(in Canadian dollars)

Description	Number of Shares / Warrants / Par Value	Cost (\$)	Fair Value (\$)	% of Net Assets
Rogers Communications Inc., 3.100%, 2025/04/15	310,000	300,342	303,612	
Royal Bank of Canada, Variable Rate, Callable, 3.650%, 2081/11/24	220,000	184,800	176,537	
SmartCentres REIT, Callable, Series 'Y', 2.307%, 2028/12/18	200,000	174,496	175,355	
Toronto-Dominion Bank (The), 1.888%, 2028/03/08	200,000	182,170	182,795	
TransCanada PipeLines Ltd., Callable, 3.390%, 2028/03/15	220,000	204,534	210,242	
Videotron Ltd., Callable, 3.625%, 2028/06/15	220,000	187,000	206,983	
		2,645,860	2,687,420	15.4%
TOTAL BONDS			2,687,420	15.4%
Less: Transaction costs included in average cost	(2,268)			
TOTAL INVESTMENTS		15,903,767	16,592,586	94.8%
Other assets, less liabilities			917,434	5.2%
TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			17,510,020	100.0%

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six months ended March 31, 2024 and March 31, 2023

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 Dome Tower, 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. 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 28, 2024.

(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.

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) Classification

The Fund follows IFRS 9 Financial Instruments. The standard requires assets to be initially recognized at fair value and subsequently measured at amortized cost or fair value, with changes in fair value recognized in profit and loss or fair value through other comprehensive income (“FVOCI”)

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six Months ended March 31, 2024 and 2023

3. Significant accounting policies (continued)

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

(i) Classification (continued)

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.

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.

(ii) 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.

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 recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

(iii) 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.

(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.

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

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six Months ended March 31, 2024 and 2023

3. Significant accounting policies (continued)

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

(iv) Fair value measurement (continued)

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 fair value and accounting fair value.

(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

Redeemable units

in respect of derivatives and securities borrowing transactions.

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.

(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

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six Months ended March 31, 2024 and 2023

3. Significant accounting policies (continued)

- (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, 2024 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 \$674 (March 31, 2023 – (\$1,795)) for the period ended March 31, 2024.

- (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 investment strategies. Derivative financial instruments are recorded at fair value with changes in fair value recorded in the statement of comprehensive income.

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.

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
(unaudited)

Six Months ended March 31, 2024 and 2023

4. Fair value measurement (continued)

(a) Investments (continued):

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, 2024				
Public securities				
Equities	1,352,021	—	—	1,352,021
Equities – Equity and Bond ETFs	8,232,554	—	—	8,232,554
Bonds	—	2,687,420	—	2,687,420
Underlying Funds	—	4,320,591	—	4,320,591
Total Investments	9,584,575	7,008,011	—	16,592,586

<i>(in Canadian dollars)</i>	Level 1	Level 2	Level 3	Total
September 30, 2023				
Public securities				
Equities	2,294,189	—	—	2,294,189
Equities – Equity and Bond ETFs	10,094,146	—	—	10,094,146
Bonds	—	2,155,393	—	2,155,393
Underlying Funds	—	1,995,630	—	1,995,630
Total Investments	12,388,335	4,151,023	—	16,539,358

There were no transfers into or out of Level 1, Level 2 and Level 3 during the period ended March 31, 2024. There was transfer out of level 2 to level 1 for Evolve Cyber Security Index Fund during the year ended September 30, 2023. This security was not traded in an active market on September 30, 2022 but was traded in an active market on September 30, 2023.

(c) Financial instruments not measured at fair value

The carrying values of cash and cash equivalents, dividends receivable, 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 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 the Fund and its investments. All investments result in a risk of loss of capital.

NCM GROWTH AND INCOME PORTFOLIO

Notes to Interim Financial Statements
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5. Financial instruments and associated risks (continued)

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, 2024 and September 30, 2023. This also applies to cash and cash equivalents and receivables as they have a 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, 2024 and September 30, 2023, 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, 2024	September 30, 2023
AA	—	1.6%
A	4.2%	4.0%
BBB	8.4%	4.8%
Below BBB	2.8%	2.3%

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.

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, 2024 and September 30, 2023.

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.

NCM GROWTH AND INCOME PORTFOLIO

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5. Financial instruments and associated risks (continued)

Liquidity risk (continued):

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 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 ETFs. 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.

Details of the nature of the Fund's investment portfolio at March 31, 2024 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.

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Six Months ended March 31, 2024 and 2023

5. Financial instruments and associated risks (continued)

Market risk (continued):

(a) Currency risk (continued) :

At the reporting date the Fund had 12.6% and (September 30, 2023 – 12.9%) of its net asset value in USD currency.

Sensitivity analysis:

At March 31, 2024 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 \$22,133 (September 30, 2023 - \$21,893). 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.

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, 2024 and September 30, 2023. 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
March 31, 2024				
All amounts stated in Canadian dollars				

Bonds	—	927,750	1,373,690	385,980
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	Less than 1 year	1 to 3 years	3 to 5 years	>5 years
September 30, 2023				
All amounts stated in Canadian dollars				

Bonds	578,203	576,381	840,530	160,279
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(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.

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.

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Six Months ended March 31, 2024 and 2023

5. Financial instruments and associated risks (continued)

Market risk (continued):

(c) Other price risk (continued) :

Sensitivity analysis:

Management's estimate of the impact of a 1% increase or decrease 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 as at March 31, 2024 and September 30, 2023 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 (\$)	
		2024	2023
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 Markets Target Makets Exposure NR EUR	109	93
NCM Core Global		43,097	19,863
Total Underlying Funds		43,206	19,956
Total Bonds		26,874	21,554
Total Equities		13,520	22,942
Total ETFs		82,326	100,942
Total		165,926	165,394

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, 2024 and September 30, 2023 :

	2024	2023
Equities		
Energy	2.1%	3.9%
Materials	0.3%	0.8%
Industrials	1.7%	2.4%
Consumer Discretionary	0.3%	0.6%
Financials	1.6%	3.8%
Utilities	0.3%	0.7%
Real Estate	1.7%	1.6%
Bonds	16.4%	13.1%
Exchange Traded Funds	49.5%	61.0%
Mutual Funds	26.1%	12.1%
Total	100.0%	100.0%

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.

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

Redeemable units (continued)

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, 2024 and 2023 were as follows:

Series A	2024	2023
Balance, opening	370,004	426,631
Issued on distributions reinvested	2,924	8,131
Issued for cash	3,761	29,396
Redeemed for cash	(114,885)	(61,300)
Balance, March 31	261,804	402,858

Series F	2024	2023
Balance, opening	232,219	306,212
Issued on distributions reinvested	2,215	5,178
Issued for cash	148	2,957
Redeemed for cash	(47,550)	(64,536)
Balance, March 31	187,032	249,811

Series T6	2024	2023
Balance, opening	2,184	2,746
Redeemed for cash	(273)	(261)
Balance, March 31	1,911	2,485

Series F6	2024	2023
Balance, opening	44,936	52,969
Redeemed for cash	(1,198)	(2,937)
Balance, March 31	43,738	50,032

Series M	2024	2023
Balance, opening	35,557	43,952
Issued on distributions reinvested	358	1,010
Issued for cash	109,675	13,362
Redeemed for cash	(10,975)	(21,567)
Balance, March 31	134,615	36,757

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, 2024	Series A	Series F	Series T6
Increase (decrease) in net assets attributable to holders of redeemable units (in 000's of \$)	918	683	5
Average units outstanding during the period (in 000's of units)	309	213	2
Increase (decrease) in net assets attributable to holders of redeemable units per unit	\$2.97	\$3.20	\$2.48

March 31, 2024	Series F6	Series M
Increase (decrease) in net assets attributable to holders of redeemable units (in 000's of \$)	122	197
Average units outstanding during the period (in 000's of units)	44	54
Increase (decrease) in net assets attributable to holders of redeemable units per unit	\$2.76	\$3.62

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

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

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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 Series 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, 2024 is \$15,557 (September 30, 2023 - \$19,806) 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, 2024 is \$1,174 (September 30, 2023 - \$1,637) 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, 2024 is \$7,700 (September 30, 2023 is \$56,882) 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.

	Total net assets of investee funds	Carrying amount included in investments
(in Canadian dollars)		
March 31, 2024		
NCM Core Portfolios Ltd.:		
NCM Core Canadian	\$10,955,134	\$10,926
NCM Core Global	\$40,518,033	\$4,309,665
Total	\$51,473,167	\$4,320,591

	Total net assets of investee funds	Carrying amount included in investments
(in Canadian dollars)		
September 30, 2023		
NCM Core Portfolios Ltd.:		
NCM Core Canadian	\$11,136,040	\$9,304
NCM Core Global	\$35,315,310	\$1,986,326
Total	\$46,451,350	\$1,995,630

During the periods ended March 31, 2024 and September 30, 2023, 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 \$3,801 (March 31, 2023 - \$3,124) in connection with portfolio transactions during the period.

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10. Subsequent Event

Additionally, on May 17, 2024, NCM Balanced Income Portfolio transferred all its net assets to NCM Growth and Income Portfolio in exchange for units. As a result, 93,541 Series A units were issued, 99,702 Series F units were issued, and 867 Series M units were issued. The assets transferred were as follows:

<u>(in Canadian dollars)</u>	<u>May 17, 2024</u>
Cash and cash equivalents	557,385
Other assets	11,996
Investments, at fair value	4,894,310
<u>Value of assets received and mutual fund units issued</u>	<u>5,463,691</u>

On May 21, 2024, the Fund changed its name to NCM Global Equity Balanced Portfolio.

On May 27, 2024, the Fund moved from a T+2 settlement period to a T+1 settlement period for securities. This means that securities transactions will settle on the next business day following their transaction date instead of two days following their transaction date.



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