

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended June 30, 2018

CWB Core Equity Fund



DISCLOSURE

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling 1-855-292-9655, by writing to us at Suite 3000, 10303 Jasper Avenue, Edmonton, AB T5J 3X6, by visiting our website at www.cwbwealth.com, or by visiting SEDAR at www.sedar.com.

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

Caution Regarding Forward Looking Information

This document may contain forward-looking statements (“FLS”) concerning the investment fund, its future performance, its strategies or prospects or about future events or circumstances. Such FLS include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “may”, “could”, “should”, “outlook”, “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, and other similar expressions. By their very nature, FLS imply the use of assumptions and necessarily involve inherent risks and uncertainties, both general and specific. There is a significant risk that the explicit and implicit forecasts contained in these FLS might not materialize or that they may not prove to be accurate. In fact, a number of factors could cause future results, conditions or events to differ materially from the objectives and expectations expressed in such FLS. Such differences might be caused by, for example, changes in Canadian and worldwide economic and financial conditions (in particular, interest and exchange rates and the prices of other financial instruments), market trends, new regulatory provisions, competition, changes in technology and the potential impact of conflicts and other international events, specifically those related to the war on terrorism, and other risks described in detail in the investment fund’s current simplified prospectus.

The foregoing list of factors is not exhaustive. Before making any investment decisions, investors and others relying on our FLS should carefully consider the foregoing factors and the uncertainties and risks they contain. We caution readers not to place undue reliance on these FLS.

FLS are issued in good faith and may be modified without notice. We assume no obligation to update FLS in the light of new information, future events or other circumstances unless applicable legislation so requires.

MANAGEMENT DISCUSSION OF THE PERFORMANCE OF CWB CORE EQUITY FUND

Results of Operations

In the first six months of 2018 (the “Period”), the CWB Core Equity Fund’s (the “Fund”) net assets decreased by \$5,911,859 to \$52,552,951, reflecting an increase of \$554,367 from positive investment performance and net withdrawals of \$6,445,772 from the Fund (including re-invested distributions to unit holders of \$19,536). The Fund’s performance over the Period is up 1.1%. The Fund’s return is calculated after the deduction of fees and expenses.

Over the Period, the S&P 500 Index (Price return only) (the “S&P 500”) was up 6.7% in Canadian dollar terms (1.7% in U.S. dollars terms) and the S&P/TSX Composite Index (Price return only) (the “S&P/TSX”) was up 0.42%. Globally, Europe and Japan turned negative for the Period, with the Euro Stoxx 50 and Nikkei 225 indices both down 3.1%, and 2.0%, respectively, in their local currencies. The SSE Composite Index dropped significantly, losing 13.9% over the period.

Despite solid economic growth, the Canadian equity market posted only a small gain over the first six months of the year. The market continued to be concerned with the renegotiation of the North American Free Trade Agreement and the U.S. government’s hardball tactics. Financials underperformed (down 1.5% over the period), as measures to curb soaring housing prices impacted sales and raised concerns about a material correction. Global oil prices rose nicely in the Period, but the discount paid for Canadian oil grew as producers continued to suffer from a lack of pipeline capacity. The Technology sector was the top performer of the market returning 22.3% over the Period.

The Information Technology and Consumer Discretionary sectors (primarily led by Amazon and Netflix) continue to be the star performers in the U.S. market, despite trade war rhetoric and the imposition of tariffs between the U.S. and its major trading partners. Consequently, the Fund’s underweight in the Information Technology sector contributed to relative underperformance over the Period. While earnings and economic data continue to show robust growth, the market has yet to meaningfully respond with higher equity price levels, which is likely a reflection of souring investor sentiment over uncertainty from rising interest rates, growing trade war rhetoric, and the aging equity bull market.

Recent Developments

Market Developments

The U.S. Federal Reserve Board (the “Fed”) raised the benchmark interest rate by 50 basis points (bps) over the Period. We believe an additional 50 to 75 bps increase in U.S. interest rates is likely over the next six months. The Fed has been executing its plan for reducing its System Open Market Account, which serves to put upward pressure on U.S. interest rates.

The Bank of Canada (the “bank”) is also expected to raise rates 25 to 50 bps over the remainder of the year. Economic indicators (year-to-date) have supported the Bank in its efforts to raise rates, although markets are questioning the sustainability of continued Canadian economic growth.

Political issues remain a primary concern for markets. Tax relief and reduced regulations have provided a boost to the U.S. economy; however, this has also served to reduce Canada’s relative advantage. Protectionism (real and anticipated) is having a dampening effect on market sentiment, and investors are concerned about the negative effect on growth that increased protectionism will have. With Canada being a trading nation, it will be particularly exposed to this kind of economic retraction.

Oil prices continue to rise from depressed levels, with West Texas Intermediate (the U.S. benchmark oil price) increasing more than 16% year to date in U.S. dollar terms. Canadian energy companies have been restricted in their ability to take advantage of higher world oil prices, as there are limited markets they are able to access economically. Efforts to alleviate this issue have been met with unfavorable political opportunism, and this problem for Canadian producers will likely persist into the near future.

Effective September 1, 2017, CWB Wealth Management Ltd. (“CWB WM” or “we”) adopted the risk classification methodology under National Instrument 81-102 – Investment Funds (the “new risk classification methodology”). Pursuant to the new risk classification methodology, certain funds’ risk ratings were changed in conjunction with the funds’ most recent prospectus renewal on June 19, 2018. CWB WM reviews each fund’s risk rating on an annual basis or if there has been a material change to a fund’s investment objectives or investment strategies. Any changes to a fund’s risk rating are the result of the CWB WM’s annual review and the adoption of the new risk classification methodology.

Related Party Transactions

CWB WM serves as trustee, manager, portfolio advisor and principal distributor of the Fund. The Fund pays CWB WM a management fee as compensation for its services. Refer to the section titled ‘Management Fees’ for a summary of fees paid to CWB WM.

CWB WM is party to a participating dealer agreement (the “Dealer Agreement”) with Canadian Western Financial Ltd. (“CWF”), a subsidiary of CWB WM. Pursuant to the Dealer Agreement, CWB WM pays CWF a monthly trailing commission equal to 1/12th of 0.5% of the net asset value attributable to units of the Fund held by CWF clients. This trailing commission will be paid directly by CWB WM and will not increase the management fee paid to CWB WM by the Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's performance for the past five years and for the period ended June 30, 2018.

CWB Core Equity Fund's Net Assets per Unit¹

	June 30, 2018	2017	2016	2015	2014	2013
Net Assets, beginning of year	\$18.84	\$18.51	\$16.66	\$16.77	\$15.32	\$12.44
Increase (decrease) from operations:						
Total revenue	\$0.31	\$0.67	\$0.54	\$0.57	\$0.50	\$0.57
Total expenses	(\$0.13)	(\$0.27)	(\$0.25)	(\$0.26)	(\$0.24)	(\$0.21)
Realized gains (losses) for the period	\$0.73	\$0.93	\$0.45	\$0.51	\$0.76	\$0.22
Unrealized gains (losses) for the period	(\$0.72)	(\$0.32)	\$1.36	(\$0.63)	\$0.67	\$2.67
Total increase (decrease) from operations²	\$0.19	\$1.01	\$2.10	\$0.19	\$1.69	\$3.25
Distributions:						
From income (excluding dividends)	\$0.01	\$0.41	\$0.29	\$0.29	\$0.24	\$0.34
From dividends	-	-	-	-	-	-
From capital gains	-	\$0.25	-	-	-	-
Return of capital	-	-	-	-	-	-
Total Annual Distributions³	\$0.01	\$0.66	\$0.29	\$0.29	\$0.24	\$0.34
Net Assets as at last date of period shown	\$19.04	\$18.84	\$18.51	\$16.66	\$16.77	\$15.32

1 This information is derived from the Fund's unaudited interim financial statements. All figures presented are prepared in accordance with IFRS, which requires the Fund to measure the fair value of its investments based on close market prices, where the close market price falls within the bid-ask spread, which is consistent with the method used in measuring the net asset value for transactions with unitholders.

2 Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

3 Distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data

	June 30, 2018	2017	2016	2015	2014	2013
Total net asset value (000's) ¹	\$52,552	\$58,465	\$59,158	\$54,277	\$51,369	\$44,467
Number of units outstanding ¹	2,760,772	3,102,550	3,195,606	3,257,219	3,063,241	2,903,082
Management expense ratio ²	1.25%	1.27%	1.28%	1.30%	1.30%	1.30%
Management expense ratio before waivers or absorptions	1.25%	1.27%	1.28%	1.32%	1.32%	1.33%
Trading expense ratio ³	0.06%	0.05%	0.09%	0.08%	0.06%	0.06%
Portfolio turnover rate ⁴	9.90%	20.36%	29.57%	29.73%	19.56%	16.48%
Net asset value per unit	\$19.04	\$18.84	\$18.51	\$16.66	\$16.77	\$15.32

1 This information is provided as at December 31 of the year shown unless otherwise stated.

2 Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

3 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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

Management Fees

The Fund pays CWB WM a monthly management fee equal to 1/12th of 1% of the monthly net asset value of the Fund. The management fee is calculated and accrued daily and payable monthly in arrears based on the weekly net asset value of the Fund.

This fee compensates CWB WM for providing advisory and portfolio management services to the Fund, managing the daily operations of the Fund and acting as trustee for the Fund.

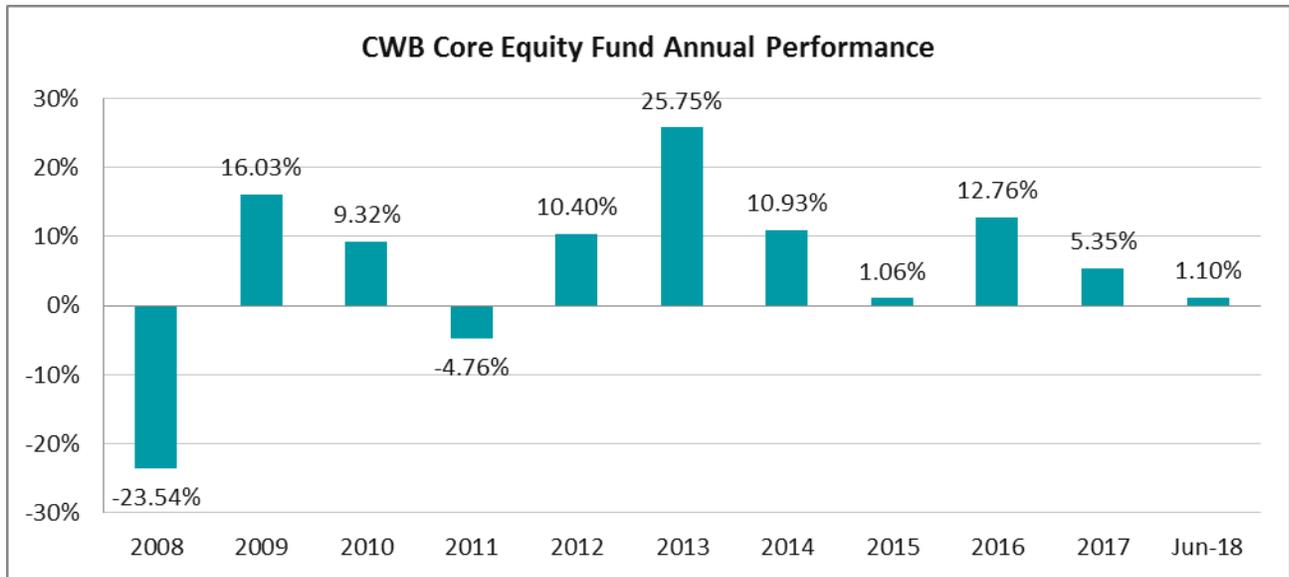
PAST PERFORMANCE

The past performance of the Fund is set out in the following charts. The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance.

Mutual fund returns are not guaranteed. Please note that past performance is not indicative of future performance.

Year-by-Year Returns

The following bar chart shows the Fund’s annual performance in each of the past ten years and for the six month period ending June 30, 2018, and illustrates how the Fund’s performance has changed from year to year. The chart shows, in percentage terms, how an investment made on January 1 would have increased or decreased by the last day of the fiscal period presented.



*Return from January 1, 2018 to June 30, 2018 not annualized.

SUMMARY OF INVESTMENT PORTFOLIO

The following table summarizes how the Fund's assets were distributed across various sectors as at June 30, 2018.

Sector	% of Net Asset Value
Cash & Short-term Investments	0.6%
Other Net Assets	0.2%
Financials	21.7%
Industrials	16.3%
Energy	14.7%
Information technology	9.9%
Health	7.7%
Consumer discretionary	6.4%
Consumer staples	6.2%
Telecom services	5.6%
Utilities	5.3%
Materials	3.9%
Real estate	1.5%
Total	100.0%

Top 25 Holdings

The following table lists the twenty-five largest equity holdings of the Fund (based on percentage of net asset values of the Fund) as at June 30, 2018.

Toronto Dominion Bank	4.0	Maxar Technologies Ltd.	1.6
Royal Bank of Canada	3.7	Canadian Natural Resources Ltd.	1.6
Bank of Nova Scotia	2.6	Canadian Tire Corp., Class A	1.6
Telus Corp.	2.1	Canadian Imperial Bank of Commerce	1.6
BCE Inc.	2.0	Exxon Mobil Corp.	1.6
Emera Inc.	1.8	Pembina Pipeline Corp.	1.6
TransCanada Corp.	1.8	Western Digital Corp.	1.6
Stantec Inc.	1.8	Crombie Real Estate Investment Trust	1.5
Suncor Energy Inc.	1.8	Microsoft Corp.	1.5
Canadian National Railway Co.	1.8	CGI Group Inc., Class A	1.5
Fortis Inc.	1.8	AT&T Inc.	1.5
Entergy Corp.	1.7	Alimentation Couche-Tard Inc., Class B	1.5
TransContinental Inc., Class A	1.7		

The investments and percentages may have changed by the time you purchase units of the Fund due to portfolio transactions of the Fund. The top 25 holdings are made available quarterly and may be obtained by contacting CWB WM at 1-855-292-9655 or by writing to: CWB Wealth Management Ltd., Suite 3000, 10303 Jasper Avenue, Edmonton, AB T5J 3X6.