

**Semi-annual Financial Statements of**

**CWB MCLEAN & PARTNERS  
TACTICAL MONTHLY INCOME POOL**

**June 30, 2024**

*(unaudited)*

## **NOTICE TO THE HOLDERS OF REDEEMABLE UNITS**

These interim financial statements are as at June 30, 2024 and have not been reviewed or audited by the external auditors of the Fund. The unaudited interim financial statements include statements of financial position, statements of comprehensive income, statements of changes in net assets attributable to holders of redeemable units, statements of cash flows, schedule of investment portfolio and notes to the financial statements.

CWB Wealth Management Ltd.

August 30, 2024

## CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Statements of Financial Position  
(in Canadian dollars)

As at	( <i>unaudited</i> )	( <i>audited</i> )
	June 30, 2024	December 31, 2023

### Assets

Investments, at fair value (note 6)	\$ 194,887,857	\$ 190,745,482
Cash	317,053	27,441
Subscriptions receivable	90,000	31,168
Dividends receivable	135,033	155,400
Total assets	195,429,943	190,959,491

### Liabilities

Redemptions payable	347,684	10,202
Total liabilities	347,684	10,202

Net assets attributable to holders of redeemable units	\$ 195,082,259	\$ 190,949,289
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Number of redeemable units outstanding (note 7)	17,490,803	17,355,686
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Net assets attributable to holders of redeemable units per unit	\$ 11.15	\$ 11.00
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See accompanying notes to financial statements.

On behalf of the Fund by its Fund Manager, CWB Wealth Management Ltd.:



Matthew Evans  
Chief Executive Officer



Mary Falconer  
Senior Vice President, Finance & Chief Accountant

## CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

### Statements of Comprehensive Income

(in Canadian dollars)

For the periods ended June 30

(*unaudited*)

	2024	2023
Dividends	\$ 1,001,745	\$ 1,147,006
Interest for distribution purposes	45,090	2,349
Income from investment funds	2,526,455	1,941,152
Securities lending	3,040	4,020
Changes in fair value of investments and derivatives		
Net realized gain on sale of investments	3,755,866	1,616,212
Net foreign exchange loss on cash	(1,268)	(19,479)
Net other gain	40,879	35,942
Change in unrealized (depreciation) appreciation of Investments	(870,197)	2,246,407
<b>Total income</b>	<b>6,501,610</b>	<b>7,114,428</b>
Bank overdraft charges	2,287	1,309
Custodial transaction fees (note 5)	17,771	13,060
Fund valuation costs (note 5)	19,250	13,118
Third party management fees (note 5)	47,290	–
Transaction costs (note 5)	13,129	15,020
Unitholder recording fees (note 5)	22,331	14,003
Withholding taxes	41,913	18,202
<b>Total expenses</b>	<b>163,971</b>	<b>74,712</b>
<b>Increase in net assets attributable to holders of redeemable units</b>	<b>\$ 6,337,639</b>	<b>\$ 7,039,716</b>
<b>Increase in net assets attributable to holders of redeemable units per unit</b>	<b>\$ 0.36</b>	<b>\$ 0.41</b>

See accompanying notes to financial statements.

## **CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL**

### Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (in Canadian dollars)

For the periods ended June 30	<i>(unaudited)</i>	
	2024	2023
Net assets attributable to holders of redeemable units at beginning of period	\$ 190,949,289	\$ 183,818,835
Increase in net assets attributable to holders of redeemable units	6,337,639	7,039,716
Distribution to holders of redeemable units from: Net investment income	(3,675,881)	(3,629,012)
Redeemable unit transactions:		
Proceeds from redeemable units issued	9,419,830	10,231,941
Reinvestments of distributions to holders of redeemable units	1,824,749	1,709,453
Redemption of redeemable units	(9,773,367)	(10,447,140)
Net increase from redeemable unit transactions	1,471,212	1,494,254
Net increase in net assets attributable to holders of redeemable units	4,132,970	4,904,958
Net assets attributable to holders of redeemable units at end of period	\$ 195,082,259	\$ 188,723,793

See accompanying notes to financial statements.

## CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

### Statements of Cash Flows

(in Canadian dollars)

For the periods ended June 30

(*unaudited*)

	2024	2023
<b>Cash flows from operating activities</b>		
Increase in net assets attributable to holders of redeemable units	\$ 6,337,639	\$ 7,039,716
Adjustments for:		
Foreign exchange loss on cash	1,268	19,479
Net realized gain on sale of investments and derivatives	(3,755,866)	(1,757,031)
Net change in unrealized depreciation (appreciation) of investments and derivatives	870,197	(2,246,407)
Purchases of investments	(38,712,997)	(54,977,636)
Proceeds from sale of investments	37,456,291	53,879,429
Dividends receivable	20,367	(570,990)
Accrued expenses	–	(26,419)
Net cash provided by operating activities	2,216,899	1,360,141
<b>Cash flows from financing activities</b>		
Distributions paid to holders of redeemable units	(1,851,132)	(1,603,806)
Proceeds from issuance of redeemable units	9,360,998	10,256,941
Amounts paid on redemption of redeemable units	(9,435,885)	(9,788,936)
Net cash used in financing activities	(1,926,019)	(1,135,801)
Foreign exchange loss on cash	(1,268)	(19,479)
Net increase in cash during the period	290,880	224,340
Cash, beginning of the period	27,441	27,791
Cash, end of period	\$ 317,053	\$ 232,652

### Supplemental disclosure of cash flow information

Interest received	\$ 45,090	\$ 2,349
Dividends received, net of withholding taxes	\$ 980,199	\$ 557,814

See accompanying notes to financial statements.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

## Schedule of Investment Portfolio

(in Canadian dollars)

As at June 30, 2024

Description	Number of Shares	Average Cost	Fair Value
<b>Canadian Pooled Funds:</b>			
Bond Capital Fund VII L.P.	2,939,834	\$ 1,978,051	\$ 1,863,766
Canso Bank Loan Fund	2,219,837	20,037,339	19,641,118
CC&L Taxable Institutional Infrastructure Fund	590,248	6,650,934	6,899,410
Crestpoint Investment Real Estate Fund	358,259	7,782,634	7,410,225
CWB M&P Diversified Fixed Income Pool	4,333,666	43,657,579	40,487,704
CWB M&P International Equity Pool	812,854	8,995,656	11,318,339
CWB M&P U.S. Equity Pool	535,835	10,217,918	15,247,404
Fiera Global Infrastructure fund, Class 'T'	1,278,387	12,741,239	12,139,564
Four Quadrant Global Real Estate Partners L.P., Class 'J', ADR	1,106,508	13,366,730	10,734,236
Hamilton Lane Senior Credit Opportunities Fund	1,060,153	10,820,642	10,926,994
Jov Leon Frazer Bond, Class 'I'	1,529,113	13,167,120	13,356,798
LF Canadian Dividend Fund	1,593,537	22,279,471	21,987,623
		<u>171,695,313</u>	<u>172,013,181</u>
Total Canadian Pooled Funds (88.17%)		<u>171,695,313</u>	<u>172,013,181</u>
<b>Canadian Equities:</b>			
Energy (0.82%):			
TC Energy Corp.	30,810	<u>1,590,684</u>	<u>1,597,807</u>
Financial Services (6.89%):			
CT REIT	220,000	2,972,201	2,899,600
Granite REIT	52,000	4,009,742	3,525,080
InterRent REIT	155,000	1,772,345	1,846,050
Nexus Industrial REIT	450,401	2,637,879	3,053,719
RioCan REIT	126,000	2,924,945	2,118,060
		<u>14,317,112</u>	<u>13,442,509</u>
Total Canadian Equities (7.71%)		<u>15,907,796</u>	<u>15,040,316</u>
<b>International Equities:</b>			
United States (2.84%):			
Blackstone Senior Floating Rate Term Fund	100,845	1,738,032	1,933,258
Nuveen Real Asset Income and Growth Fund	216,624	4,185,702	3,607,400
		<u>5,923,734</u>	<u>5,540,658</u>
Total International Equities (2.84%)		<u>5,923,734</u>	<u>5,540,658</u>

## CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

### Schedule of Investment Portfolio (continued)

(in Canadian dollars)

As at June 30, 2024

Description	Par Value	Average Cost	Fair Value
<b>Short-Term Investments:</b>			
Short-Term Investments - CAD			
Canadian Imperial Bank of Commerce, Demand Deposit, Variable Rate	1,924,361	\$ <u>1,924,361</u>	\$ <u>1,924,508</u>
Short-Term Investments - USD			
CIBC Mellon Trust, Demand Deposit	269,810	<u>366,109</u>	<u>369,194</u>
Total Short-Term Investments (1.18%)		<u>2,290,470</u>	<u>2,293,702</u>
Adjustment for transaction costs included in average cost		(2,817)	–
Total Investments (99.90%)		\$ 195,814,496	\$ 194,887,857
Other Net Assets (0.10%)			194,402
Total Net Assets attributable to holders of redeemable units (100.00%)			\$ 195,082,259

See accompanying notes to financial statements.



# **CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL**

## **Notes to Financial Statements**

(in Canadian dollars)

As at June 30, 2024

*(unaudited)*

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### **General:**

CWB McLean & Partners Tactical Monthly Income Pool (the “Fund”) is an open-end unit trust created under the laws of the Province of Alberta and governed by the Second Amended and Restated Declaration of Trust dated April 1, 2022. The address of the Fund’s registered office is 1250-10303 Jasper Avenue NW, Edmonton, Alberta. The Fund’s units are not traded in a public market, and it does not file its financial statements with a securities commission or other regulatory organization for the purpose of issuing any class of instruments in a public market.

Under the Declaration of Trust, the Fund may issue an unlimited number of units in an unlimited number of series.

CWB Wealth Management Ltd. (“CWB Wealth” or the “Fund Manager”), a company incorporated under the laws of Canada, is a registered investment fund manager and portfolio manager in each of Canada’s provinces. CWB Wealth is the administrative manager, investment advisor and promoter of the Fund.

CIBC Mellon Global Securities Services Company is the administrator and custodian of the Fund and CIBC Mellon Trust Company is the trustee of the Fund (collectively, “CIBC Mellon”).

### **1. Investment objective of the Fund:**

The investment objective of the Fund is to generate returns through capital appreciation and income by investing in dividend yielding equities, fixed income securities, and high yield strategies, both private and publicly traded. To achieve its investment objectives, the Fund may hold individual securities or units of other pooled funds managed by CWB Wealth (“Pooled Funds”). The Fund has concluded that the Pooled Funds in which it invests, but that it does not consolidate, meet the definition of structured entities because the voting rights in the Pooled Funds are not dominant rights in deciding who controls them because the rights relate to administrative tasks only, and the Pooled Funds have unique and well-defined objectives to provide investment opportunities to investors. The Schedule of Investment Portfolio lists the Pooled Funds in which the Fund holds an interest but does not consolidate. During the periods ended June 30, 2024 and December 31, 2023 the Fund did not provide financial support to the Pooled Funds and has no intention of providing financial or other support.

The assets of the Fund will be managed within certain specified guidelines to ensure adequate portfolio diversification by industry sectors and geographic regions. The Fund is not expected to hold more than 65 publicly traded securities and there is a maximum weighting of 10% of the Fund’s Net Asset Value (“NAV”) invested in any single security, and no limit on cash and cash equivalents.

# **CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL**

Notes to Financial Statements, page 2

(in Canadian dollars)

As at June 30, 2024

*(unaudited)*

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## **1. Investment objective of the Fund (continued):**

Net capital gains and net investment income are calculated in accordance with the provisions of the Income Tax Act (Canada) and the Fund will make monthly distributions of net income and annual distributions of net realized capital gains to the unitholders such that no income tax is payable by the Fund.

## **2. Basis of presentation and measurement:**

The financial statements have been prepared in compliance with IFRS Accounting Standards (“IFRS”). The policies applied in the financial statements are based on IFRS issued and outstanding as of June 30, 2024. These financial statements have been prepared on the historical cost basis except for financial assets and liabilities recorded at fair value through profit or loss.

The financial statements of the Fund were approved and were authorized for issue by the Fund Manager on behalf of the Fund on August 30, 2024.

## **3. Material accounting policy information:**

(a) Financial instruments:

(i) Classification and measurement:

Classification and measurement categories under IFRS 9 are amortized cost, fair value through other comprehensive income (“FVOCI”), and fair value through profit or loss (“FVTPL”). Cash, subscriptions receivable, dividends receivable, redemptions payable, and other accrued expenses are initially measured at fair value and are classified and measured subsequently at amortized cost. Investments, derivative assets, derivative liabilities, and net assets attributable to holders of redeemable units are classified as FVTPL and measured at fair value.

The Fund’s business model is one in which financial assets are managed with the objective of realizing cash flows through the sale of assets. Decisions are made based on the assets’ fair values and assets are managed to realize these fair values. This business model is aligned with the FVTPL classification and measurement category therefore the Fund measures investments at FVTPL. Debt securities are designated at FVTPL as the Fund does not expect to hold the assets to collect contractual cash flows based on its business model. Collection of the contractual cash flows is not integral to achieving the Fund’s business model objective but is instead incidental to it.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 3

(in Canadian dollars)

As at June 30, 2024

*(unaudited)*

## 3. Material accounting policy information (continued):

### (a) Financial instruments (continued):

#### (ii) Expected credit losses:

Trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. Thus, the Fund measures loans and trade receivables at amortized cost under IFRS 9.

IFRS 9 requires that an entity recognize an allowance for expected credit losses on financial assets which are measured at amortized cost or FVOCI, except for investments in equity instruments. Financial assets held by the Fund which are measured at FVTPL are not subject to the new impairment requirements.

With respect to loans and receivables, the Fund considers both historical analysis and forward-looking information in determining any expected credit loss. As at the financial statement date, all loans and receivables are due to be settled within the short term. The Fund considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligation in the near term.

Given the negligible exposure of the Fund to credit risk, no allowance for expected credit losses has been recognized.

#### (iii) Valuation and recognition of financial instruments:

Portfolio investments, including short-term investments, are recognized at fair value upon initial recognition. The Fund's investments are classified as FVTPL. Factors leading to the FVTPL designation include the performance evaluation and management of the investments of the Fund on a fair value basis.

The other financial assets and liabilities of the Fund are recognized at fair value on the date they originate and are subsequently measured at amortized cost.

Portfolio investment transactions are accounted for on a trade date basis. Realized gains/losses on sale of investments and unrealized appreciation/depreciation on investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities.

Portfolio investments listed on recognized public securities exchanges are valued using the last trade price on the securities exchange on which they are principally traded. If no trade volume is reported to have taken place, closing bid quotations for long positions, and closing ask quotations for short positions from the primary exchange or market makers will be used. Portfolio investments not listed on recognized public securities exchanges, or for which reliable quotations are not readily available, are valued using valuation techniques, as determined pursuant to procedures established by the Fund Manager.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 4  
(in Canadian dollars)

As at June 30, 2024

(unaudited)

### 3. Material accounting policy information (continued):

(a) Financial instruments (continued):

(iii) Valuation and recognition of financial instruments:

The value of forward currency contracts entered into by the Fund is recorded as the difference between the contract rate and the forward market rate. Realized and unrealized gains or losses on the contracts are recorded as realized gain (loss) on derivatives and the change in unrealized appreciation (depreciation) of derivatives in the Statement of Comprehensive Income.

Options are valued at their close price as reported by the principal exchange or over-the-counter market on which the contract is traded. Premiums paid for purchased call and put options are included in options purchased in the Statement of Financial Position. When a purchased option expires, the Fund will realize a loss in the amount of the cost of the option. For the closing transaction of the purchased put options, the Fund will realize a gain or loss depending on whether the proceeds are greater or less than the premium paid at the time of purchase. When a purchased call option is exercised, the cost of security purchased is increased by the premium paid at the time of purchase.

Premiums received from writing options are included as a liability for written options in the Statement of Financial Position. When a written option expires unexercised, premiums received from writing options are recorded as income on the Statement of Comprehensive Income. When a written call option is exercised, the Fund will record a realized gain or loss depending on whether the cost of closing the transaction exceeds the premium received. When a written put is exercised, the cost of the security purchased is reduced by the premiums received at the time the option was written.

(iv) Fair value hierarchy:

IFRS 13 "Fair Value Measurement" requires a fair value hierarchy for disclosure of the inputs used in the valuation of each financial asset and liability reported by a Fund. The hierarchy of inputs is as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included in Level 1 that are based on observable market data for assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Changes in valuation methods may result in transfers into or out of the assets' or liabilities' assigned levels. The level summary base on the hierarchy of inputs is disclosed in Note 6. All transfers are deemed to occur at the end of each reporting period.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 5

(in Canadian dollars)

As at June 30, 2024

*(unaudited)*

### 3. Material accounting policy information (continued):

(a) Financial instruments (continued):

(iv) Fair value hierarchy:

Equity securities using quoted market prices are included in Level 1.

Investment funds priced at net asset values and fixed-income securities valued at an evaluated bid price as reported by the primary valuation source on the valuation date are included in Level 2.

Level 3 financial instruments consist of portfolio investments not listed on recognized public securities exchanges or for which reliable quotations are not readily available are valued using valuation techniques as determined pursuant to procedures established by the Fund Manager.

(b) Investment income:

Distributions from the underlying investment funds are recognized on the ex-distribution date.

Investment transactions are recorded on the trade date. Interest for distribution purposes is coupon interest recognized on an accrual basis and or imputed interest on zero coupon bonds. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on a weighted average cost basis.

The Fund generally incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statement of Comprehensive Income.

(c) Foreign currency translation:

The Fund's functional and presentation currency is Canadian dollars. Transactions in foreign currencies are translated into the Fund's reporting currency using the exchange rate prevailing on the trade date. The quoted fair value of investments and other assets and liabilities denominated in foreign currencies is translated at the period-end exchange rate. Foreign exchange gains and losses relating to cash are presented as "Net foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities represented with "Net realized gain (loss) on sale of investments and derivatives" and "Changes in unrealized appreciation (depreciation) on investments and derivatives" in the Statement of Comprehensive Income.

(d) Cash:

Cash is comprised of deposits with financial institutions.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 6

(in Canadian dollars)

As at June 30, 2024

*(unaudited)*

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### 3. Material accounting policy information (continued):

(e) Offsetting of financial instruments:

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Fund has a legal right to offset the amounts and it intends to either settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss.

(f) Net assets attributable to holders of redeemable units per unit:

Net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units by the number of redeemable units outstanding at the end of the period. Increase in net assets attributable to holders of redeemable units per unit in the Statement of Comprehensive Income is calculated by dividing the increase in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the period.

(g) Transaction costs:

Transaction costs are expensed and are included in the Statement of Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue, or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

(f) New accounting standards

Effective January 1, 2023, the Fund adopted Disclosure of Accounting Policies (Amendments to IAS 1). The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in note 3 in certain instances.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 7

(in Canadian dollars)

As at June 30, 2024

(unaudited)

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## 4. Critical accounting estimates and judgments:

The preparation of financial statements requires management to use judgment in applying its accounting policies to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

### *Fair value measurement of derivatives and securities not quoted in active market*

At times, the Fund holds financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources or indicative prices from market makers. Broker quotes obtained from these pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry.

## 5. Fees and expenses:

All fees and expenses applicable to the administration, operation and directly attributable to portfolio transactions which include fees and commissions paid to brokers, dealers, and CIBC Mellon are payable by the Fund. At its discretion, the Fund Manager may, but is not obligated to, pay any of such expenses.

## 6. Financial risk management:

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which a fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks. The Fund's performance could be negatively impacted if the value of a portfolio holding were harmed by such events.

The Fund's activities expose it to a variety of financial risks. The Fund Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing professional, experienced portfolio advisors, by daily monitoring of the Fund's positions and market events and by diversifying the investment portfolio within the constraints of the investment objective. To assist in managing risk, the Fund Manager also maintains a governance structure that monitors compliance with the Fund's stated investment strategy and securities regulations.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 8

(in Canadian dollars)

As at June 30, 2024

(unaudited)

## 6. Financial risk management (continued):

### 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 strategies on the management of investment risk are driven by the Fund's investment objective to provide superior returns through capital appreciation and income by investing in equity securities of companies that have a history of dividend growth anywhere in the world.

Details of the nature of the Fund's investment portfolio at June 30, 2024 are disclosed in the Schedule of Investment Portfolio.

#### (a) Currency risk:

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's functional currency. The Fund is exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in foreign exchange rates. The Fund may enter into forward currency contracts for hedging purposes to reduce foreign currency exposure or to establish exposure to foreign currencies. The Fund's exposure to currency risk is summarized in the tables below.

June 30, 2024	Currency Exposure	As a % of Net Assets
U.S. Dollar	\$ 7,820,626	4.01%

December 31, 2023	Currency Exposure	As a % of Net Assets
U.S. Dollar	\$ 9,179,658	4.81%

As at June 30, 2024, had the Canadian dollar strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets would have increased or decreased, respectively, by approximately \$78,000 (December 31, 2023 – \$92,000). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.



# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 9

(in Canadian dollars)

As at June 30, 2024

(unaudited)

## 6. Financial risk management (continued):

### Market risk (continued):

#### (b) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises on interest-bearing financial instruments held in the investment portfolio. The majority of the Fund's assets are non-interest bearing. Interest bearing financial assets mature or re-price in the short-term, no longer than twelve months. There are no interest-bearing financial liabilities.

As at June 30, 2024 and December 31, 2023 the Fund held units in other Funds therefore it may have been exposed to indirect rate risk to the extent that the underlying funds invested in debt instruments.

#### (c) Other price risk:

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk and currency risk), whether caused by factors specific to an individual investment, its issuer, or other factors affecting all instruments traded in a market or market segment. All equity securities subject to market risk are listed in the Schedule of Investment Portfolio; to the extent there is a change in markets they are traded in, the portfolio will be affected accordingly. Maximum losses due to other price risk would be equivalent to the fair value of the securities and other financial instruments.

As at June 30, 2024, a 1% change in the price of equity and pooled fund investments held in the Fund's portfolio would have changed the Fund's net assets attributable to holders of redeemable units by approximately \$1,926,000 (December 31, 2023 – \$1,884,000) with all other factors held constant. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

### 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 carrying amount of investments and other financial assets as presented on the Schedule of Investment Portfolio represents the maximum direct credit risk exposure as at June 30, 2024. Through its holdings in investment funds, the fund may also have been exposed to indirect credit risk to the extent that the underlying funds invested in debt instruments, preferred securities and derivatives.

Credit risk arising on transactions for assets purchased and sold relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved. Also, legal entitlement will not pass until all monies have been received for the assets purchased or the portfolio assets sold. If either party does not meet its obligation, then the transaction will fail.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 10

(in Canadian dollars)

As at June 30, 2024

(unaudited)

## 6. Financial risk management (continued):

### Credit risk (continued):

The Fund lends portfolio securities from time to time in order to earn additional income. The Fund enters into securities lending transactions with approved counterparties through the securities lending program with the custodian, CIBC Mellon Global Securities Services Company. Credit risk associated with these transactions is considered minimal as all counterparties have approved creditworthiness based on Office of the Superintendent of Financial Institutions guidelines and the Fund is indemnified by the custodian for collateral credit or market loss.

All cash is held on deposit with Canadian financial institutions; accordingly, no significant credit risk relates to cash.

### Liquidity risk:

The Fund's exposure to liquidity risk is concentrated in the cash redemptions of units. Redemption notices must be received by the Fund prior to the redemption trade date and redemption payments are made by the Fund within two business days of the redemption trade date.

To manage the liquidity risk, the Fund primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Fund Manager monitors the cash position on a daily basis and ensures that the Fund retains sufficient cash and cash equivalent positions to maintain liquidity.

### Fair value of financial instruments:

The following is a summary of the inputs used as of June 30, 2024 and December 31, 2023 in valuing the Fund's investments carried at fair values:

June 30, 2024	Level 1	Level 2	Level 3	Total
Equities	\$ 20,580,974	\$ –	\$ –	\$ 20,580,974
Investment funds	–	172,013,181	–	172,013,181
Short-term investments	2,293,702	–	–	2,293,702
Total	\$ 22,874,676	\$ 172,013,181	\$ –	\$ 194,887,857

December 31, 2023	Level 1	Level 2	Level 3	Total
Equities	\$ 30,091,458	\$ –	\$ –	\$ 30,091,458
Investment funds	–	158,286,035	–	158,286,035
Short-term investments	2,367,989	–	–	2,367,989
Total	\$ 32,459,447	\$ 158,286,035	\$ –	\$ 190,745,482

There were no transfers between the three levels during the period.

# CWB MCLEAN & PARTNERS TACTICAL MONTHLY INCOME POOL

Notes to Financial Statements, page 11

(in Canadian dollars)

As at June 30, 2024

(unaudited)

## 6. Financial risk management (continued):

### Fair value of financial instruments (continued):

The carrying values of cash, subscriptions receivable, dividends receivable and redemptions payable approximate their fair values due to their short term to maturity.

## 7. Redeemable units:

The Fund is authorized to issue an unlimited number of transferable units. Units of the Fund are offered for sale on a continuous basis and may be purchased or redeemed at the Net Asset Value (“NAV”) per unit. All units of the Fund are of the same class with equal rights and privileges, including equal participation in any distributions made by the Fund.

There is a contractual obligation to distribute any net income and net realized capital gains to the Fund’s outstanding units. Consequently, the Fund’s outstanding redeemable units are classified as financial liabilities in accordance with the requirements of International Accounting Standard 32 Financial Instruments: Presentation.

Unit transactions during the periods ended June 30, 2024 and December 31, 2023 are as follows:

	June 30, 2024
Redeemable units outstanding, beginning of period	17,355,686
Redeemable units issued, for proceeds	848,002
Redeemable units issued on reinvestment of distributions	164,071
Redeemable units redeemed	(876,956)
Redeemable units outstanding, end of period	17,490,803

  

	December 31, 2023
Redeemable units outstanding, beginning of period	17,192,436
Redeemable units issued, for proceeds	1,491,272
Redeemable units issued on reinvestment of distributions	448,213
Redeemable units redeemed	(1,776,235)
Redeemable units outstanding, end of period	17,355,686