

Interim Management Report of Fund Performance

For the period ended June 30, 2022

CWB Onyx Diversified Income Fund (the
“Fund”)

CWB Wealth Management Ltd., Manager

DISCLOSURE

This interim management report of fund performance contains financial highlights but does not contain either 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 report may contain forward-looking statements about the Fund and general economic factors that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “anticipates”, “believes”, “estimates”, “expects”, “intends”, “may”, “plans”, “potential”, “proposed”, or future or conditional verbs such as “will”, “should”, “would” and “could”, and similar forward-looking expressions or negative versions thereof. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement.

By their very nature, forward-looking statements involve numerous assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that the predictions, forecasts, projections, expectations and conclusions made will not prove to be accurate, and that assumptions made may not be correct.

Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made in this report. A variety of factors, many of which are beyond the Fund’s control, may cause actual results to differ materially from the expectations expressed in the forward-looking statements. These factors include, but are not limited to, general economic, political and relevant market factors in North America and internationally, interest and foreign exchange rates, volatility of equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or illness (including COVID-19) that affect local, national or international economies, and other risks described in the Fund’s current simplified prospectus. The foregoing list of factors is not exhaustive.

Forward-looking statements are issued in good faith and may be modified without notice. Before making any investment decisions, investors and others relying on forward-looking statements should carefully consider the foregoing factors and the uncertainties and risks they contain. We caution readers not to place undue reliance on these forward-looking statements. Unless required by securities law, we do not undertake to update any forward-looking statement, whether written or verbal, that may be made from time to time by or on behalf of the Fund. The forward-looking statements contained in this document are presented for the purpose of assisting readers in understanding the Fund’s financial position and results of operations as at and for the periods ended on the dates presented and may not be appropriate for other purposes.

Management Discussion of the Performance of the CWB Onyx Diversified Income Fund

Results of Operations

In the first six months of 2022 (the “Period”), the Fund’s net assets decreased by \$3,517,210 to \$192,777,975. This reflects a decrease of \$20,939,783 primarily from investment performance, net contributions of \$20,638,229 and distributions to unitholders of \$3,215,656.

Series A of the Fund returned -10.68% over the Period versus the Fund’s internal benchmark (the “Fund Benchmark”), which returned -12.23%. The Fund benchmark is the FTSE Canada Universe Bond Index (the “Broad-Based Benchmark”), which returned -12.23% over the Period. Unlike the Fund Benchmark and the Broad-Based Benchmark, the Fund’s return is calculated after the deduction of fees and expenses. Returns for Series O of the Fund may vary, largely due to differences in fees and expenses.

The year started with a consensus that the Bank of Canada would need to increase interest rates in the face of unusually high inflation brought about by high levels of COVID-19-related fiscal stimulus, tight supply chains and strong consumer demands. Expectations were for small and regular increases. As the first half of 2022 unfolded, inflation measures continued to accelerate more than expected, partly due to supply chain issues exacerbated by the Russian invasion of Ukraine and central banks began tightening much more rapidly. By the end of June the Bank of Canada’s target for the overnight rate had risen from 0.25% to start the year to 2.5%. This represents a significant amount of hiking in a short period of time that also played out in many other countries. Consequently, government-bond yields rose significantly in the first half of 2022 which led to one of the biggest losses in 40 years for many major fixed-income indexes.

In addition to rate hikes, and to further combat inflation, the Bank of Canada stopped its asset purchase program (quantitative easing) that was put in place to stimulate the economy by injecting money into the economy.

The Fund had a lower than benchmark duration (exposure to changes in interest rates) substantially benefitting relative performance. The Fund was over-weight in credit product such as corporate bonds. This gave the Fund a higher interest income stream, although this was somewhat offset by a rise in credit spreads (difference in yield compared to similar term government bonds) back to more historical norms.

Overall, the Fund had strong performance relative to its benchmark in the Period.

Recent Developments

Most major central banks, including the Bank of Canada, are focussed on bringing inflation down to more normal levels and it is expected that interest rates will continue to rise through the remainder of 2022. Market yields have risen substantially so far this year giving some credence to the view that the market may have largely priced in the anticipated bank rate movements for the year. Although bond yields may rise slightly, they could remain relatively flat (little difference between short and long term rates) signalling a slow growth economy.

Related Party Transactions

CWB Wealth Management Ltd. (“CWB WM” or “we”) 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.

The CWB Onyx Managed Solution Funds, comprised of the CWB Onyx Conservative Solution, the CWB Onyx Balanced Solution and the CWB Onyx Growth Solution, invests in series O units of the Fund. As at June 30, 2022, 3.47% of the Series O units of the Fund are held by the CWB Onyx Conservative Solution, 6.76% of the Series O units of the Fund are held by the CWB Onyx Balanced Solution and 2.38% of the Series O units of the Fund are held by the CWB Onyx Growth Solution.

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 0.50% of the net asset value attributable to units of the Fund held by CWF clients. This trailing commission is paid directly by CWB WM and does 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 the period ending June 30, 2022.

CWB Onyx Diversified Income Fund’s Series A Net Assets per Unit ¹

	June 30, 2022	2021	2020	2019	2018	2017
Net Assets, beginning of year	\$10.14	\$10.62	\$10.24	\$9.86	\$10.17	\$10.15
Increase (decrease) from operations:						
Total revenue	\$0.17	\$0.26	\$0.23	\$0.30	\$0.59	\$0.30
Total expenses	(\$0.05)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.13)
Realized gains (losses) for the year	(\$0.05)	(\$0.04)	(\$0.04)	\$0.02	(\$0.16)	(\$0.04)
Unrealized gains (losses) for the year	(\$1.12)	(\$0.45)	\$0.39	\$0.37	(\$0.52)	(\$0.12)
Total increase (decrease) from operations²	(\$1.05)	(\$0.34)	\$0.47	\$0.58	(\$0.20)	\$0.01
Distributions:						
From income (excluding dividends)	\$0.10	\$0.17	\$0.17	\$0.20	\$0.21	\$0.21
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total Annual Distributions³	\$0.10	\$0.17	\$0.17	\$0.20	\$0.21	\$0.21
Net Assets as at last date of period shown	\$8.97	\$10.14	\$10.62	\$10.24	\$9.86	\$10.17

CWB Onyx Diversified Income Fund’s Series O Net Assets per Unit ¹

	June 30, 2022	2021	2020	2019	2018	2017
Net Assets, beginning of year	\$10.20	\$10.67	\$10.33	\$9.98	\$10.26	\$10.18
Increase (decrease) from operations:						
Total revenue	\$0.16	\$0.32	\$0.34	\$0.35	\$0.30	\$0.31
Total expenses	-	-	-	-	-	-
Realized gains (losses) for the year	(\$0.05)	(\$0.05)	(\$0.05)	\$0.03	(\$0.08)	(\$0.04)

Unrealized gains (losses) for the year	(\$1.13)	(\$0.36)	\$0.37	\$0.31	(\$0.16)	(\$0.03)
Total increase (decrease) from operations ²	(\$1.02)	(\$0.09)	\$0.66	\$0.69	\$0.06	\$0.24
Distributions:						
From income (excluding dividends)	\$0.16	\$0.32	\$0.32	\$0.35	\$0.31	\$0.28
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total Annual Distributions ³	\$0.16	\$0.32	\$0.32	\$0.35	\$0.31	\$0.28
Net Assets as at last date of period shown	\$9.02	\$10.20	\$10.67	\$10.33	\$9.98	\$10.26

¹ This information is derived from the Fund's unaudited interim or audited annual financial statements (as applicable). 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 paid in cash, reinvested in additional units of the Fund or both.

* Data reported represents results from February 10, 2016 to December 31, 2016.

† Initial offering price.

Ratios and Supplemental Data – Series A

	June 30, 2022	2021	2020	2019	2018	2017	2016*
Total net asset value (000's) ¹	\$12,969	\$13,165	\$15,618	\$19,967	\$22,120	\$2,664	\$3
Number of units outstanding ¹	1,445,898	1,298,798	1,470,142	1,950,715	2,243,349	262,007	300
Management expense ratio ²	1.11%	1.10%	1.12%	1.12%	1.20%	1.25%	1.25%
Management expense ratio before waivers or absorptions	1.11%	1.10%	1.12%	1.12%	1.20%	1.41%	2.02%
Trading expense ratio ³	-	-	0.01%	-	-	0.01%	0.02%
Portfolio turnover rate ⁴	12.19%	30.99%	47.88%	17.73%	50.39%	43.53%	40.08%
Net asset value per unit	\$8.97	\$10.14	\$10.62	\$10.24	\$9.86	\$10.17	\$10.15

Ratios and Supplemental Data – Series O

	June 30, 2022	2021	2020	2019	2018	2017	2016*
Total net asset value (000's) ¹	\$179,809	\$183,129	\$142,096	\$88,902	\$80,466	\$52,919	\$15,874
Number of units outstanding ¹	19,935,746	17,951,500	13,316,026	8,609,566	8,060,697	5,157,662	1,559,043
Management expense ratio ²	-	-	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	-	-	-	-	-
Trading expense ratio ³	-	-	-	-	-	0.01%	0.02%
Portfolio turnover rate ⁴	12.19%	30.99%	47.88%	17.73%	50.39%	43.53%	40.08%
Net asset value per unit	\$9.02	\$10.20	\$10.67	\$10.33	\$9.98	\$10.26	\$10.18

¹ This information is provided as at June 30 of the year shown unless otherwise stated.

- ² Management expense ratio (“MER”) 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.
- * Data reported represents results from February 10, 2016 to December 31, 2016.

Management Fees

The Fund pays CWB WM an annual management fee of 1.00% of the net asset value of Series A units of the Fund. The management fee for each applicable series is calculated and accrued daily as a percentage of its NAV. The Fund’s management fees were used by CWB WM to pay for the cost of managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sales of investment portfolio, providing other services, and compensating CWB WM for acting as the trustee of the Fund. CWB WM also used the management fee to fund trailing commissions and any other compensation to CWF whose clients invest in the Fund. A further breakdown of the management fee is not available for the interim period.

Series O management fee is negotiated and paid directly by each investor. Series O management fee is not to exceed the Series A management and advisory fee of the Fund.

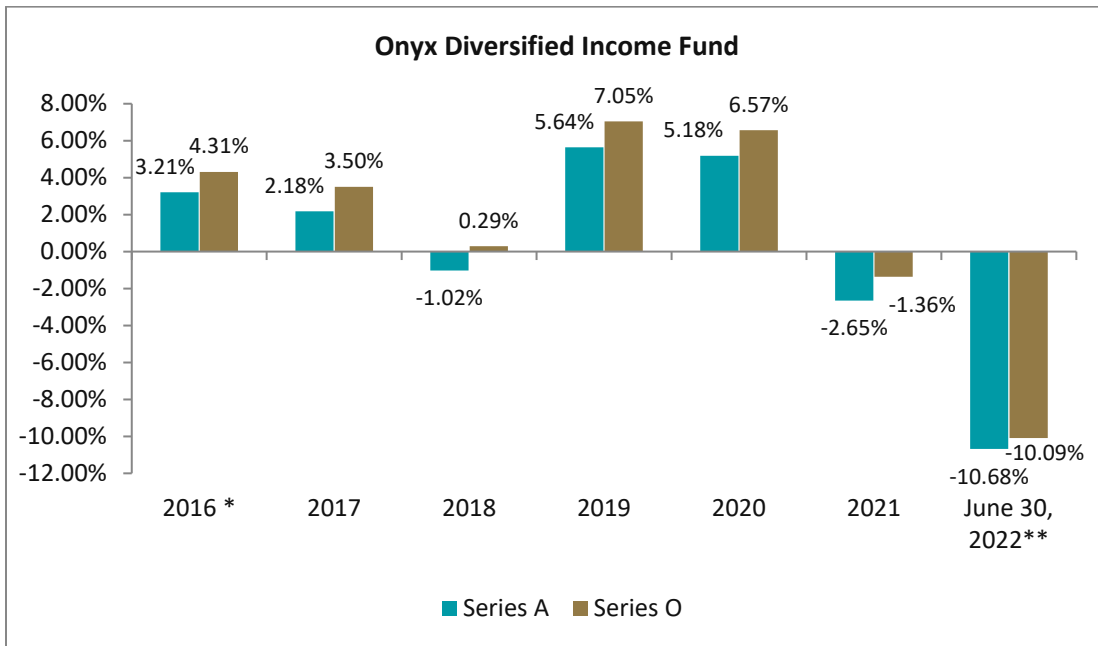
Past Performance

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 years shown were reinvested in additional securities of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or other optional charges, or income taxes payable 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 five years and the six month period ending June 30, 2022, 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 year presented.



* Return from February 10, 2016 (commencement of operations) to December 31, 2016.

**Return from January 1, 2022 to June 30, 2022 not annualized.

Summary of Investment Portfolio

The following table summarizes how the Fund's assets were distributed across various sectors as at June 30, 2022.

Portfolio Breakdown	% of Net Asset Value
Cash & Short-term Investments	4.4
Other Net Assets	0.4
Domestic Bonds and Debentures	
Corporate	47.4
Provincial	19.7
Federal	20.0
Foreign Bonds and Debentures	6.5
Preferred Shares	1.6
Total	100.0

Top 25 Holdings

The following table lists the 25 largest holdings of the Fund (based on percentage of net asset values of the Fund) as at June 30, 2022.

Security	Maturity	%
2.500% Government of Canada	06/01/2024	9.1
2.900% Canada Housing Trust	06/15/2024	9.0
2.750% Province of Quebec, Unsecured Note	09/01/2028	3.7
3.050% Province of Saskatchewan, Unsecured Note	12/02/2028	3.3
6.500% Province of Ontario, Unsecured Note	03/08/2029	3.1
5.700% Province of British Columbia, Unsecured Note	06/18/2029	3.0
3.45% Province of Alberta, Unsecured Note	06/01/2024	2.9
3.049% Manulife Financial Corp., Subordinated Debt	05/12/2030	2.4
7.100% Greater Toronto Airports, Medium Term Note	06/04/2031	2.4
1.646% Honda Canada Finance Inc., Senior Unsecured Note	02/25/2028	2.3
0.000% Province of Quebec, Senior Unsecured Note	12/01/2043	2.1
3.190% Bank of Montreal, Senior Unsecured Note	03/01/2028	1.8
3.244% Omers Realty Corp., Senior Unsecured Note	10/04/2027	1.8

Security	Maturity	%
5.100% Peel, Senior Unsecured Note	06/29/2040	1.5
5.030% Metro Inc., Senior Unsecured Note	12/01/2044	1.2
4.810% Pembina Pipeline Corp., Senior Unsecured Note	03/25/2044	1.2
3.327% Co-operators Financial Services Ltd., Senior Unsecured Note	05/13/2030	1.2
5.610% Nova Scotia Power Inc., Senior Unsecured Note	06/15/2040	1.2
6.750% Shaw Communications Inc., Senior Unsecured Note	11/09/2039	1.2
6.560% Rogers Communications Inc., Senior Unsecured Note	03/22/2041	1.2
3.750% Telus Corp., Senior Unsecured Note	03/10/2026	1.2
5.390% Suncor Energy Inc., Senior Unsecured Note	03/26/2037	1.1
7.850% Bell Canada, Senior Unsecured Note	04/02/2031	1.0
6.540% Loblaw Companies Ltd., Senior Unsecured Note	02/17/2033	1.0
5.500% ATCO Ltd., Subordinated Debt	11/01/2078	1.0

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: info@cwbwealth.com CWB Wealth Management Ltd., Suite 3000, 10303 Jasper Avenue, Edmonton, AB T5J 3X6.