Caldwell Investment Management Ltd.

Independent Investment Managers

Semi-Annual Management Report of Fund Performance

For the Period Ended June 30, 2019

Caldwell U.S. Dividend Advantage Fund

Note: The fund's auditor does not audit the Management Report of Fund Performance ("MRFP") but checks the figures to ensure they are consistent with the audited financial statements.

This semi-annual management report of fund performance contains financial highlights, but does not contain the complete semi-annual financial statements of the investment fund. You may obtain a copy of the semi-annual financial statements at your request, free of charge, by calling 1-800-256-2441, by writing to us at Caldwell Investment Management Ltd., 150 King Street West, Suite 1702, P.O. Box 47, Toronto, ON M5H 1J9 or by visiting our website at www.caldwellinvestment.com or SEDAR at www.sedar.com.

Securityholders may also contact us by 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.

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Management Discussion of Fund Performance

Investment Objective and Strategies

The investment objectives of the Fund are to provide holders of Units ("Unitholders") with:

(i) monthly cash distributions; and
(ii) the potential for capital appreciation and enhanced long-term risk adjusted returns.

The investment objective of the Fund may only be changed with the approval of unitholders at a meeting called for that purpose.

The Fund has been created to invest in an actively managed portfolio (the "Portfolio") comprised primarily of U.S. dividend-paying equity securities that exhibit a combination of low current volatility and high profitability and are expected by the Manager to significantly benefit from the current U.S. economic expansion.

In addition, the Fund incorporates a disciplined risk management process that tactically shifts the portfolio away from certain market factors. From time to time, the Fund will hedge currency risk, market risk, or sector specific risk. Our strategy consists of utilizing a disciplined investment process that consists of a combination of quantitative and qualitative fundamental analysis in constructing and maintaining the Portfolio. Our Portfolio consists of the three following characteristics:

1) High Profitability
2) Dividend Paying
3) Low current volatility, determined in respect of the short term average distribution of daily returns

Our monthly newsletters and fact sheets keeps investors informed about how the Portfolio is positioned.

Results of Operations

After the December 2018 sell-off, the United States ("U.S") equity market recovered in the first two quarters of 2019. Most of the major asset classes posted positive results compared to 2018, with Information Technology, Consumer Discretionary and Industrials being the leading sectors for performance. 10-year Treasury yields dropped overall in the first half of 2019 as investors pulled back from risky assets during times of uncertainty. Inflation expectations declined as June inflation results were below the consensus, however Crude oil prices and Unleaded Gasoline led commodities to post a 6.1% performance in 2019. Despite ongoing U.S.-China trade conflict and disappointing economic data, the S&P 500 returned 13.9% for the first half of 2019. The yield curve had been inverted over the past quarter, which raises the probability of a recession. Global growth remains in expansion, however, the International Monetary Fund ("IMF") cut its outlook for global growth to the lowest since the financial crisis to 3.3% as supposed to 3.5%.

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In 2019, the U.S. Federal Reserve ("the Fed") has kept interest rates steady at a target range of 2.25-2.50% after raising policy interest rates for the ninth time this cycle in Q4 2018. In March of 2019 the Fed took a more dovish stance by announcing that interest rate hikes were not happening for the remainder of 2019. The current market expectation is for two to three 25 basis point rate cuts by year end. As of writing, the first cut has already been made.
Recent economic data presented mixed results for investors that hope for the U.S Federal Reserve to cut rates in the coming months. The American consumer remains strong with low unemployment and accelerating wage growth. In June, Non-Farm payrolls rose well-above market expectations and the unemployment rate of 3.7% which is near 50-year lows.[1] Furthermore, the May manufacturing data hit its lowest level since 2009, and consumer confidence also declined to a two-year low. The weaker data is likely to be due to the uncertainly surrounding US and China trade talks.

At the G20 meeting in Japan, President Trump and President Xi Jinping of China agreed to a cease fire on trade. U.S agreed to put off additional tariffs on Chinese goods and China will start buying large amounts of American farm products. The agreement also allows U.S technology equipment manufacturers to resume sales to Huawei Technologies Co. which was previously halted.[2] As the US-China trade talks continue, we are closely monitoring the effects of tariffs and regulation on our portfolio's holdings.

A risk of recession in the U.S. still remains as the late cycle conditions such as decreasing global growth rates have appeared. U.S corporate debt levels have climbed to roughly 46% of GDP, which is the highest on record by the Federal Reserve which increases the probability for a recession.

Key Contributors/Detractors

Key contributors to the fund's performance in the first half of the year relative to the benchmark were allocations to Consumer Staples, Healthcare, Information Technology and Materials. The outperformance of the Consumer Staples category was mainly attributable to a position in Tyson Foods Inc. given improving fundamentals and the ongoing African Swine Fever which is expected to strengthen protein prices globally. In the Healthcare category, Cooper Companies Inc. presented another strong quarter as the contact lens market continues to grow globally. Furthermore, in the Information Technology sector a position into Motorola Solutions Inc. contributed to portfolio performance as the company benefits from a continued shift towards an "as a service" model, winning key contracts. Our only holding in the Materials sector is Air Products and Chemicals which performed well in the first half due to strong quarterly results as they continue to benefit from gasification projects globally.

The main detractor from performance was the cash allocation in the fund. Other key detractors include: positions in Consumer Discretionary, Information Technology and Healthcare. The underperformance in Consumer Discretionary was due to a position in Booking Holdings Inc. which suffered due to a weak European outlook related to Brexit as well as political issues in France. In the Information Technology sector, Alphabet Inc. experienced regulatory concerns regarding antitrust issues which led to a sharp decline in share price. In the Healthcare category, managed care in general declined as government policy proposals regarding drug rebates and

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Medicare for All created uncertainty. This impacted our positions in CVS Pharmacy and UnitedHealth Group.

Second Quarter 2019

Market Overview

In the second quarter of 2019, U.S. equities posted lower returns compared to the first quarter. The S&P 500 closed the quarter up 2.2% as the yield curve remained inverted and the equity markets increased their expectations for U.S. Federal Reserve rate cuts.

Performance Summary

- Over the second quarter of 2019, the U.S. Dividend Advantage Fund, Series F returned 3.6% compared with the 2.2% return of the S&P 500 index.
- The outperformance relative to its benchmark during the quarter was largely a result of allocations to Healthcare, Consumer Staples and Information Technology.

Contributors to Performance

- Key contributors to the fund's performance relative to its benchmark were allocations to Consumer Staples, Healthcare and Information Technology.
- The outperformance in the Consumer Staples sector was mainly attributable to our position in Tyson Foods Inc. which was our largest holding. Tyson returned 14% in the quarter, outperforming the S&P 500 this quarter by 12.3%. We remained overweight on Tyson given its low valuation and improving fundamentals. Tyson had been impacted by the trade war as pork inventories had risen significantly in the U.S. which hurt their margins. Tyson is expected to benefit from pork price increases as China continues to battle with African Swine Fever.
- The outperformance in the Healthcare was mainly attributable to a position in Cooper Companies Inc. given its strong growth in the contact lens market and their ability to grow market share. Cooper Companies returned 11.2% in the quarter, resulting in a 9.6% outperformance. Cooper reported a strong 2nd quarter and paid down debt significantly. Cooper is positioned for strong long-term growth from its acquisition of PARAGARD and also its brands in the Cooper Vision segment.
- A key contributor to the outperformance of the Information Technology sector was Motorola Solutions Inc., an end-to-end solutions provider in the public safety space. Motorola was initiated into the fund last quarter and continues to be one of our top performers. It returned 16.2% in the quarter, resulting in a 14.6% outperformance. Motorola reported a strong Q1 with record first-quarter revenues, key contract wins in all segments and strong backlog. Motorola is positioned for long-term growth as it continues to shift towards an "as a service" model.

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Detractors from Performance

- Key detractors of fund performance were allocation to cash and stock selection in the Industrials and Information Technology sector.
- A key detractor from fund performance was the cash allocation. The cash balance provided downside protection in the Q4 2018 sell-off, however like Q1, it was also a drag in Q2 performance. We believe the cash balance helps preserve capital in a volatile market, and provides us with the ability to deploy capital when high quality companies present attractive valuations.
- In the industrial segment A.O. Smith Corp. experienced a slowdown in growth as China's economy displayed signs of weakness. Furthermore, A.O. Smith also faced negative sentiment after J Capital Research, a short-seller, released a report claiming that the business operations in China were misleading and inaccurate. This caused the stock to decline more than 8% on the news.
- In the Information Technology sector Broadcom Inc. experienced poor performance after the company reported lower-than-expected revenue and decreased its revenue guidance. Geopolitical uncertainties, broad-based slowdown in smartphone demand, and issues with sales to Huawei were causes for this poor performance.

Portfolio Activity

- During the quarter, the fund initiated a position in Xylem Inc., the world's largest pure-play provider of water technology. They offer a wide range of end-to-end technology solutions to serve the needs of customers in the water industry including water utilities, industrial, commercial and residential markets. Xylem was formed from the 2011 split of ITT Corporation into a stand-alone publicly traded company. Xylem is growing their Measurement and Control Solutions business which provides software to integrate with their technology products with an "as a service" model. This provides the company with more recurring revenues and increases customer switching costs. The water industry is in need for repair and replacement in North America due to its aging infrastructure. New infrastructure is being built in emerging countries such as India and China, where Xylem is well-positioned to be a beneficiary of long-term secular growth.

Outlook

- Looking forward into Q3, the fund has a strong cash balance and is well positioned to take advantage of market volatility while protecting unitholder's capital.
- With rates now likely to remain lower for the foreseeable future, we believe that dividend strategies could be some of the biggest beneficiaries in this type of environment. Dividend growth investing has been the foundation of our investment approach for the U.S. Dividend Advantage Fund, as these stocks typically provide an attractive risk and reward profile over the long-term. Given the lower interest rate backdrop along with attractive valuations of dividend growth stocks, we believe this is an opportune time for investors to increase their exposure to dividend funds.

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Disclosures

- Fund performance is reported on a Canadian dollar, total return basis
- Stock performance is reported on a Canadian dollar, price return basis

Independent Review Committee

Under the provisions of National Instrument 81-107 – *Independent Review Committee for Investment Funds* (NI 81-107"), which came into force on November 1, 2006, it is now required that all publicly offered investment funds, such as the Fund, establish an independent review committee ("IRC") to whom the Manager is to refer all potential conflict of interest matters in order to obtain a recommendation or approval, as applicable. NI 81-107 further mandates that the IRC be composed of at least three independent members and requires that they conduct assessments and regularly report to the Manager and unitholders in respect of its duties.

The current members of the Manager's IRC are Trent Morris, Sharon Kent and F. Michael Walsh.

Forward-looking Statements

Certain statements included in this report may constitute forward-looking statements, including those identified by the expressions "believe", "anticipate", "expect" or similar expressions to the extent they relate to the Fund, its Manager or its portfolio manager. Such forward-looking statements are not historical facts but reflect the Fund's, the Manager's or the portfolio manager's current expectations regarding future results or events. Such forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Readers are cautioned to consider these and other factors carefully when making decisions with respect to the Fund and not place undue reliance on forward-looking statements. Unless required by applicable law, the Fund does not undertake any obligation to update publicly or to revise any of such forward-looking statements, whether as a result of new information, future events or otherwise.

Forward-looking statements included or incorporated by reference in this report include statements with respect to:

- Interest rates
- Change in accounting policy

Related Party Transactions

Manager and Portfolio Adviser

The Manager is a wholly owned subsidiary of Caldwell Financial Ltd. The Manager is also the Portfolio adviser of the Fund. The Manager is responsible for the Fund's day-to-day operations, provides investment advice and Portfolio management services to the Fund and appoints distributors for the Fund. For its administrative services, trustee fees, asset allocation, security

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selection, ongoing monitoring and related services, the Manager is paid an annual fee up to 2.75% based on the gross asset value of Series A units of the Fund and up to 1.75% based on the gross asset value of Series F units of the Fund.

Trustee

The trustee of the Fund is Caldwell Investment Management Ltd.

Brokerage

The Manager has brokerage arrangements for purposes of trading in the equity markets. The Manager may utilize brokers with whom soft commission arrangements are in place. Any such arrangements will provide for Best Execution (as defined below) and any goods or services received will be of a type which assists in the provision of investment services to the Fund. Neither the Manager nor any of its connected persons will retain any cash commission rebates from such arrangements.

"Best Execution" means the best price and results for the Fund, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order.

The Manager may choose to execute a portion of the Funds' Portfolio transactions with Caldwell Securities Ltd., an affiliate of the Manager. The Manager applies its best execution policy in respect of both affiliated and non-affiliated dealers. Specifically, any trade allocation to an affiliated dealer is based on an assessment of the same best execution criteria.

Because Caldwell Securities Ltd. is an affiliate of the Manager and the interrelationship of their businesses, a conflict of interest exists that has the potential of influencing the Manager's choice of Caldwell Securities Ltd. to execute Fund Portfolio transactions. The Manager addresses this conflict of interest by applying its best execution policy and by following best execution standing instructions issued by the Funds' independent review committee.

To date in 2019, the Fund has paid $19.87 in commissions to Caldwell Securities Ltd. and in similar period in 2018, the Fund paid $52,924.37.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past year. This information is derived from the Fund's audited annual financial statements and is presented for Series A units of the Fund and Series F units of the Fund.

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The Fund's Net Asset Value (NAV), per Series F Unit as at June 30, 2019 (unaudited) and December 31 of previous years:

	2019	2018	2017	2016	2015*
Net Assets, beginning of year	9.74	10.80	10.43	9.54	10.00
Increase (decrease) from operations:					
Total Revenue	0.09	0.41	0.58	0.71	0.36
Total Expenses	(0.15)	(0.35)	(0.36)	(0.35)	(0.19)
Realized gains (losses) for the period	0.26	0.50	0.63	0.26	(0.42)
Unrealized gains (losses) for the period	1.06	(0.97)	0.13	0.89	0.08
Total increase (decrease) from operations (1)	1.26	(0.41)	0.98	1.51	(0.17)
Distributions:					
From Income (excluding dividends)	0.00	(0.16)	(0.14)	0.00	0.00
From Dividends	0.00	(0.11)	(0.08)	(0.22)	(0.09)
From Capital Gains	0.00	(0.19)	(0.15)	0.00	0.00
Return of Capital	(0.20)	0.00	(0.23)	(0.33)	(0.20)
Total Annual Distributions (2)	(0.20)	(0.46)	(0.60)	(0.55)	(0.29)
Net Assets at June 30 and December 31 of year shown	10.75	9.74	10.80	10.43	9.54

(1) Net asset value 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.
(2) Distributions were paid in cash or reinvested in additional units of the Fund.
* The Fund commenced on June 22, 2015.

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The Fund's Net Asset Value (NAV), per Series A Unit as at June 30, 2019 and December 31 of previous year:

	2019	2018*
Net Assets, beginning of year	9.50	10.11
Increase (decrease) from operations:		
Total Revenue	0.09	0.02
Total Expenses	(0.17)	(0.03)
Realized gains (losses) for the period	0.31	0.46
Unrealized gains (losses) for the period	0.93	(0.96)
Total increase (decrease) from operations (1)	1.16	(0.51)
Distributions:		
From Income (excluding dividends)	0.00	0.00
From Dividends	0.00	0.00
From Capital Gains	0.00	0.00
Return of Capital	(0.20)	(0.23)
Total Annual Distributions (2)	(0.20)	(0.23)
Net Assets at June 30 and December 31 of year shown	10.45	9.50

(1) Net asset value 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.

(2) Distributions were paid in cash or reinvested in additional units of the Fund.

* Series A units commenced operations on November 22, 2018.

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Ratios and Supplemental Data – Series F

	2019	2018	2017	2016	2015
Net asset value (000's) [1]	22,443	30,033	68,298	65,652	55,700
Number of units outstanding [1]	2,088,297	3,084,761	5,161,479	5,063,100	5,055,000
Management expense ratio [2]	2.62%	2.90%	2.73%	2.69%	2.56%
Management expense ratio before waivers or absorptions	2.95%	2.94%	2.73%	2.69%	2.56%
Portfolio turnover rate [3]	22.53%	47.40%	65.76%	103.50%	79.62%
Trading Expense ratio [4]	0.08%	0.31%	0.67%	1.23%	1.35%

Ratios and Supplemental Data – Series A

	2019	2018
Net asset value (000's) [1]	1,111	477
Number of units outstanding [1]	106,309	50,183
Management expense ratio [2]	3.15%	2.96%
Management expense ratio before waivers or absorptions	4.14%	4.47%
Portfolio turnover rate [3]	22.53%	47.40%
Trading Expense ratio [4]	0.08%	0.31%

(1) This information is provided as at June 30 (unaudited) and December 31 of the year shown.
(2) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset value during the year.
(3) 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 co
(4) 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 year.

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Management Fees

The Fund will pay to the Manager an annual management fee (the "Management Fee") up to 2.75% based on the gross asset value of Series A units of the Fund and up to 1.75% based on the gross asset value of Series F units of the Fund, accrued and calculated daily and payable monthly in arrears, plus applicable taxes.

Distribution	2%
Management and Portfolio Adviser Services	79%
Waivers and Absorption of Fund Expenses	19%

Past Performance

The following charts shows how the Fund has performed in the past, and can help you understand the risks of investing in the Fund. These returns include the reinvestment of all distributions and would be lower if they did not. They don't include deduction of sales, switch, redemption, or other optional charges (which distributors may charge) or income taxes payable, and would be lower if they did. The Fund's past performance is no guarantee of how it will perform in the future.

Year-by-Year Returns

The bar charts shows how the Fund's annual past performance has varied from year to year for each of the years shown. It shows in percentage terms how an investment made on January 1 would have increased or decreased by December 31 for each year.

For the years ended December 31 and the semi-annual period ended June 30, 2019

Caldwell U.S. Dividend Advantage Fund – Series F

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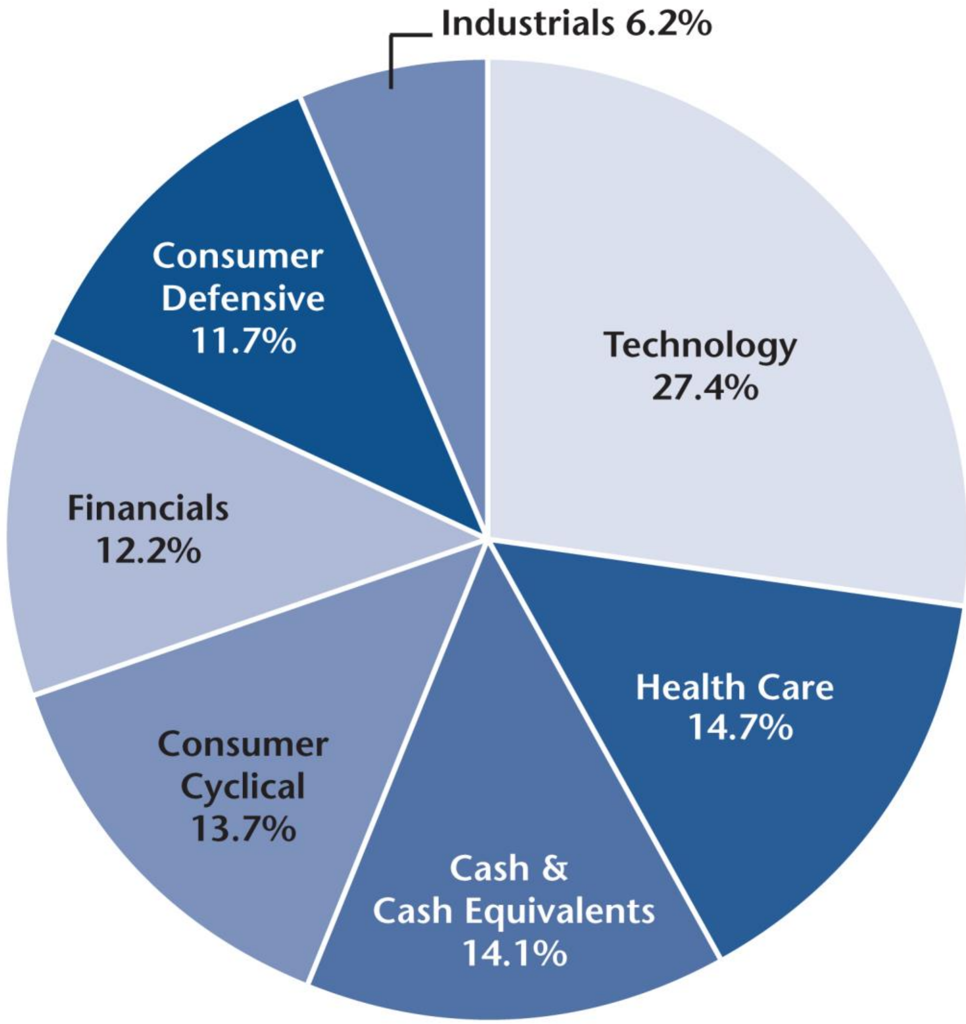
Summary of Investment Portfolio

Portfolio Breakdown as at June 30, 2019



Caldwell U.S. Dividend Advantage Fund

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CALDWELL U.S. DIVIDEND ADVANTAGE FUND

Summary of Investment Portfolio

Top 25 Holdings

As at June 30, 2019

SECURITY	Percentage of Net Assets
Cash & Cash Equivalents	15.35%
Tyson Foods Inc.	7.87%
McDonald's Corp.	5.09%
The Cooper Cos Inc.	4.69%
S&P Global Inc.	4.31%
Oracle Corp.	3.71%
Motorola Solutions Inc.	3.53%
Quest Diagnostics Inc.	3.52%
Apple Inc.	3.31%
Microsoft Corp.	3.28%
US Bancorp/MN	3.21%
Booking Holdings Inc.	3.13%
Huntington Ingalls Industries Inc.	3.13%
JPMorgan Chase & Co.	2.93%
International Business Machines Corp.	2.92%
Air Products & Chemicals Inc.	2.40%
Medtronic PLC	2.39%
The Procter & Gamble Co.	2.14%
Broadcom Inc.	2.08%
MasterCard Inc.	2.06%
Cisco Systems Inc.	1.98%
CVS Health Corp.	1.97%
The TJX Cos Inc.	1.94%
Visa Inc.	1.93%
Marsh & McLennan Cos Inc.	1.67%
Top 25 Holdings	**90.56%**

The summary of investment portfolio may change. A quarterly update is available at www.caldwellinvestment.com

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