



Ridgewood Canadian Investment Grade Bond Fund

Interim Financial Report (Unaudited)
For the six months ended June 30, 2022

Ridgewood Investment Grade Bond Fund

Interim Financial Report (Unaudited)

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Message to Unitholders

It was a very challenging first half of 2022 as elevated inflation rates resulted in both the US Federal reserve and the Bank of Canada raising rates by 225 bp each so far this year. Supply chain disruptions continue to persist, with further bottlenecks developing as a result of the war in Ukraine. With no resolution in the near term, the market has been in search for clarity in terms of a timeline for global central banks ending their tightening bias. Corporate bonds continue to perform well in this environment as they provide an additional yield over very low yielding Government bonds.

During the first quarter, the bond market experienced a decline of 6.97% as investors grew more concerned about significant interest rate increases. The top 2 performing sectors were Canadian Sovereign and Corporates with returns of -5.55% and -6.45%. Within Corporates, higher rated issuers had the best performance at -3.67% (Corporate AAA/AA). Since Canada has a significant exposure to energy, the S&P/TSX returned 3.84% for the quarter.

In the second quarter, both stocks and bonds had negative returns. With the heightened concerns of a global slowdown, the energy sector in Canada became more over valued resulting in a lower return for the S&P/TSX of -13.43%. With the continued tightening of monetary policy, the bond markets had a negative return of 5.66%. Once again, higher rated corporate debt outperformed the benchmark with a return of -2.22%.

The FTSE Canada Universe Bond Index returned -12.23% year to date while the Corporate Bond Index returned -10.97%. Government of Canada bonds were the strongest sector, returning -9.47% which is expected given the increased volatility. It was also the case that Corporate AAA/AA bonds returned -5.81%, primarily due to characteristics of the index, which has a shorter than average duration. Higher quality corporate bonds will likely continue to outperform in the second half as the economy continues to slow with additional interest rate hikes from the Central banks. The yield curve has flattened with 2- and 10-year bonds offering similar rates. We are comfortable remaining fully invested and overweight in BBB corporate bonds.

Ridgewood Canadian Investment Grade Bond Fund

The interim financial statements have been prepared by management in accordance with IFRS (International financial reporting standards) and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this interim report is consistent with the financial statements. The significant accounting policies which management believes are appropriate for the Fund are described in Note 4 of the financial statements.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.



John H. Simpson
Director
Ridgewood Capital Asset Management Inc.



Paul W. Meyer
Director
Ridgewood Capital Asset Management Inc.

August 23, 2022

Ridgewood Canadian Investment Grade Bond Fund

Statements of Financial Position (unaudited)

As at June 30, 2022 (unaudited) and December 31, 2021

	June 30, 2022	December 31, 2021
	\$	\$
Assets		
Financial asset at fair value through profit or loss (cost 30-June-22 - \$393,940,972; 31-Dec-21 - \$437,974,614)	365,005,856	452,613,756
Cash	261,381	202,493
Accrued interest receivable	2,779,500	3,280,993
Total Assets	368,046,737	456,097,242
Liabilities		
Accrued expenses	376,910	370,448
Distribution payable	984,518	4,524,440
Loan payable (Note 10)	120,542,865	155,118,303
Total Liabilities	121,904,293	160,013,191
Net assets attributable to holders of redeemable units	\$ 246,142,444	296,084,051
Number of units outstanding, Class A (Note 5)	18,575,820	18,575,820
Net assets attributable to holders of redeemable units per unit	13.25	15.94

The accompanying notes are an integral part of the financial statements.

Approved on behalf of the Board of Directors of the Manager:



John H. Simpson, CFA
Managing Director



Paul W. Meyer, CFA
Managing Director

Ridgewood Canadian Investment Grade Bond Fund

Statements of Comprehensive Income (unaudited)

For the 6 months ended June 30, 2022 and 2021

	June 30, 2022	June 30, 2021
	\$	\$
Income		
Interest for distribution purposes	9,322,809	8,694,699
Other changes in fair value on financial assets and financial liabilities at fair value through profit or loss		
Net realized loss on sale of investments	(7,754,410)	(384,411)
Net change in unrealized depreciation of investments	(43,574,258)	(2,842,759)
Total operating income	(42,005,859)	5,467,529
Expenses		
Management fees (Note 7)	725,688	734,546
Administration fees	355,591	364,686
Legal fees	29,483	23,848
Audit fees	32,404	33,441
Independent Review Committee fees	9,755	10,029
Total operating expenses	1,152,921	1,166,550
Operating profit	(43,158,780)	4,300,979
Finance cost		
Interest and bank fees (Note 10)	875,717	573,180
(Decrease) increase in net assets attributable to holders of redeemable units	(44,034,497)	3,727,799
(Decrease) increase in net assets attributable to holders of redeemable units per unit, Class A (based on weighted average number of units outstanding during the period -) (2022 - 18,575,820 ; 2021 - 16,907,635)	(2.37)	0.22

The accompanying notes are an integral part of the financial statements.

Ridgewood Canadian Investment Grade Bond Fund
Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (unaudited)
For the 6 months ended June 30, 2022 and 2021

	June 30, 2022	June 30, 2021
	\$	\$
Net assets attributable to holders of redeemable units at beginning of period	296,084,051	265,500,983
(Decrease) increase in net assets attributable to holders of redeemable units	(44,034,497)	3,727,799
Distributions:		
From net investment income	(5,907,110)	(5,421,137)
	(49,941,607)	(1,693,338)
Redeemable unit transactions:		
Issue costs and agency fees	-	(132,859)
Proceeds from the issuance of units of the investment fund	-	27,479,040
	-	27,346,181
Net assets attributable to holders of redeemable units at end of period	246,142,444	291,153,826

The accompanying notes are an integral part of the financial statements.

Ridgewood Canadian Investment Grade Bond Fund

Statements of Cash Flows (unaudited)

For the 6 months ended June 30, 2022 and 2021

	June 30, 2022	June 30, 2021
	\$	\$
Cash provided by (used in) operating activities		
Net (decrease) increase in net assets attributable to holder of redeemable Units	(44,034,497)	3,727,799
Adjustments for:		
Net realized loss on sale of investments	7,754,410	384,411
Net change in unrealized depreciation of investments	43,574,258	2,842,759
Purchase of investments	(90,803,133)	(259,134,279)
Proceeds from sale of investments	127,082,365	175,695,341
Decrease (increase) in accrued interest receivable	501,493	(830,575)
Increase in accrued expenses	6,462	65,276
	44,081,358	(77,249,268)
Cash flows from financing activities		
Proceeds from the issuance of units of the investment fund	-	27,479,040
Issue costs and agency fees paid	-	(132,859)
Distributions paid to unitholders	(9,447,032)	(5,329,879)
Change in loan payable	(34,575,438)	55,304,892
	(44,022,470)	77,321,194
Increase in cash during the period	58,888	71,926
Cash, beginning of period	202,493	6,431
Cash, end of period	261,381	78,357
Supplemental information on cash flows from operating activities		
Interest received	9,824,302	7,864,124
Interest paid	793,023	545,965

The accompanying notes are an integral part of the financial statements.

Ridgewood Canadian Investment Grade Bond Fund

Schedule of Investments (unaudited)
As at June 30, 2022

Par Value	Security	Average Cost	Fair Value	% of net assets
		\$	\$	
Canadian Bonds				
Corporate Bonds				
11,500,000	Bank of Nova Scotia, Series '1', Variable Rate, Callable, 3.70%, 2081/07/27	11,309,870	9,682,545	
7,000,000	Bank of Nova Scotia, Variable Rate, Callable, 7.02%, 2082/07/27	7,032,650	7,039,677	
11,700,000	Brookfield Property Finance ULC, Callable, 4.00%, 2026/09/30	11,631,689	10,700,025	
1,500,000	Brookfield Property Finance ULC, Callable, 3.93%, 2027/01/15	1,395,000	1,360,391	
18,458,000	Cameco Corp., 5.09%, 2042/11/14*	18,620,427	16,005,850	
10,750,000	Canadian Imperial Bank of Commerce, Variable Rate, Callable, 4.38%, 2080/10/28*	10,826,234	10,032,623	
10,213,000	Canadian Imperial Bank of Commerce, Variable Rate, Callable, 7.15%, 2082/07/28	10,265,624	10,308,409	
5,000,000	Empire Life Insurance Co. (The), Series '1', Variable Rate, Callable, 3.63%, 2081/04/17	5,049,600	4,347,840	
11,500,000	Enbridge Inc., Variable Rate, Callable, 5.38%, 2077/09/27**	11,726,275	10,757,741	
14,000,000	Great-West Lifeco Inc., Series '1', Variable Rate, Callable, 3.60%, 2081/12/31*	13,915,851	11,694,274	
2,000,000	IA Financial Corp. Inc., Series '22-1', Variable Rate, Callable, 6.61%, 2082/06/30	1,980,000	1,979,218	
12,500,000	Manulife Financial Corp., Series '1', Variable Rate, Callable, 3.88%, 2081/06/19*	12,450,476	10,524,982	
14,000,000	Manulife Financial Corp., Variable Rate, Callable, 4.10%, 2082/03/19	13,954,080	11,768,218	
7,000,000	Manulife Financial Corp., Variable Rate, Callable, 7.12%, 2082/06/19	7,017,360	7,070,871	
12,000,000	National Bank of Canada, Series '1', Variable Rate, Callable, 4.30%, 2080/11/15*	12,000,000	11,151,909	
15,000,000	National Bank of Canada, Variable Rate, Callable, 4.05%, 2081/08/15	15,011,213	12,868,698	
18,500,000	Pembina Pipeline Corp., Variable Rate, Callable, 4.80%, 2081/01/25*	18,149,288	15,466,780	
8,750,000	Sagen MI Canada Inc., Variable Rate, Callable, 4.95%, 2081/03/24*	8,760,480	7,424,690	
7,964,000	Teranet Holdings L.P., Callable, 5.75%, 2040/12/17**	8,314,901	7,716,534	
9,828,000	Teranet Holdings L.P., Callable, 6.10%, 2041/06/17**	11,308,164	9,900,244	
19,000,000	Toronto-Dominion Bank (The), Series '1', Variable Rate, Callable, 3.60%, 2081/10/31*	18,733,320	15,976,371	
4,500,000	Toronto-Dominion Bank (The), Series '27', Variable Rate, Perpetual, 5.75%, 2027/10/01	4,451,870	4,312,778	
13,100,000	TransAlta Corp. - Step Coupon, 6.90%, 2030/11/15*	14,038,075	13,338,955	
10,159,000	TransAlta Corp. - 7.30%, 2029/10/22*	11,055,015	10,611,912	
8,025,000	TransCanada Trust, Variable Rate, Callable, 4.20%, 2081/03/04*	7,846,848	6,577,186	
6,500,000	Trisura Group Ltd., Restricted, Callable, 2.64%, 2026/06/11	6,500,000	6,015,347	
		273,343,310	244,636,068	99.39%
Mortgage-Backed Securities				
3,034,000	Institutional Mortgage Securities Canada Inc., Class 'B', Series '2013-4', Variable Rate, 4.24%, 2023/10/12	3,033,479	3,003,660	
7,667,000	Institutional Mortgage Securities Canada Inc., Class 'C', Series '2013-4', Variable Rate, 4.57%, 2023/11/12	7,490,659	7,551,995	
2,422,000	Institutional Mortgage Securities Canada Inc., Class 'C', Series '16-7', Variable Rate, Callable, 3.60%, 2026/10/12	2,332,690	2,240,350	
9,087,000	Institutional Mortgage Securities Canada Inc., Class 'D', Series '13-4', Variable Rate, Callable, 4.57%, 2023/11/12	9,014,940	8,814,390	
6,000,000	Institutional Mortgage Securities Canada Inc., Class 'D', Series '2012-2', Variable Rate, Callable, 4.70%, 2022/07/12	5,434,200	5,988,500	
8,677,000	Institutional Mortgage Securities Canada Inc., Class 'D', Series '2015-6', Variable Rate, Callable, 3.97%, 2025/03/12	8,104,143	8,123,407	
6,460,000	Institutional Mortgage Securities Canada Inc., Class 'D', Series '2016-7', Variable Rate, Callable, 3.79%, 2026/10/12	5,681,760	5,814,000	
3,603,000	Institutional Mortgage Securities Canada Inc., Class 'E', Series '2012-2', Variable Rate, Callable, 4.70%, 2022/07/12	3,177,197	3,596,523	
2,523,000	Institutional Mortgage Securities Canada Inc., Class 'E', Series '2016-7', Variable Rate, Callable, 3.79%, 2026/10/12	2,110,162	2,220,240	
4,800,000	Real Estate Asset Liquidity Trust, Class 'C', Series '17', Variable Rate, Callable, 3.93%, 2027/07/12	4,379,765	4,440,000	
6,731,000	Real Estate Asset Liquidity Trust, Class 'C', Series '19-1', Variable Rate, Callable, 4.02%, 2029/05/12	6,604,623	5,990,590	
3,460,000	Real Estate Asset Liquidity Trust, Class 'C', Series '20-1', Callable, 3.55%, 2030/01/12	3,457,350	2,941,000	
7,114,000	Real Estate Asset Liquidity Trust, Class 'C', Series '2018-1', Variable Rate, Restricted, Callable, 4.25%, 2028/05/12	6,873,022	6,580,450	
14,121,000	Real Estate Asset Liquidity Trust, Class 'C', Series '2019-HBC', Variable Rate, Callable, 4.45%, 2024/06/14	12,725,577	13,582,990	
3,850,000	Real Estate Asset Liquidity Trust, Class 'D', Series '2015-1', Floating Rate, Callable, 3.66%, 2025/07/12	3,405,221	3,561,250	
10,013,000	Real Estate Asset Liquidity Trust, Class 'D', Series '2016-1', Variable Rate, Callable, 3.68%, 2026/05/12	8,749,432	9,061,765	
8,000,000	Real Estate Asset Liquidity Trust, Class 'D', Series '16-2', Callable, 3.62%, 2026/05/12	7,091,600	7,320,000	
2,216,000	Real Estate Asset Liquidity Trust, Class 'D1', Series '2018-1', Variable Rate, Restricted, Callable, 4.36%, 2028/05/12	1,959,962	1,988,860	
1,000,000	Real Estate Asset Liquidity Trust, Class 'D1', Series '19-1', Variable Rate, Callable, 4.36%, 2054/06/12	981,000	865,000	
5,513,000	Real Estate Asset Liquidity Trust, Class 'E', Series '2016-1', Variable Rate, Callable, 3.68%, 2026/05/12	4,642,375	4,897,749	
5,269,000	Real Estate Asset Liquidity Trust, Class 'E', Series '2016-2', Variable Rate, Callable, 3.75%, 2026/06/12	4,466,456	4,715,755	
		111,715,613	113,299,474	46.03%
Total Canadian Bonds, Government Bonds and MBS		385,058,923	357,935,542	145.42%
U.S. Bonds				
Corporate Bonds				
7,350,000	Citigroup Inc., 5.37%, 2036/03/06*	8,882,049	7,070,314	
	Total U.S. Bonds	8,882,049	7,070,314	2.87%
Total Investment Portfolio		393,940,972	365,005,856	148.29%
Cash and cash equivalents			261,381	0.11%
Other assets less liabilities			(119,124,793)	-48.40%
Total net assets attributable to holders of redeemable units			246,142,444	100.00%

* These securities are held as collateral with Scotiabank for the loan payable or margin account (Note 9)

The accompanying notes are an integral part of these financial statements

Ridgewood Canadian Investment Grade Bond Fund

Notes to the Financial Statements

June 30, 2022 (unaudited)

1. ESTABLISHMENT OF THE FUND

Ridgewood Canadian Investment Grade Bond Fund (the "Fund") is a closed-end investment fund established under the laws of the Province of Ontario pursuant to the Declaration of Trust dated November 27, 2009, as amended and restated. Ridgewood Capital Asset Management Inc. ("Ridgewood" or the "Manager") is the Manager and Trustee of the Fund. The Fund's principal office is 55 University Avenue, Suite 1020, Toronto, Ontario M5J 2H7. The fiscal year end of the Fund is December 31.

Ridgewood is also the investment manager of the Fund. CIBC Mellon Trust Company is the custodian and registrar and AST is the transfer agent of the Fund, and, as such, they perform certain valuation and other services for the Fund. The Fund commenced operations on December 18, 2009. On September 24, 2019 unitholders approved the indefinite extension of the term of the Fund from December 31, 2019 onward. The financial statements were authorized for issuance by Ridgewood Capital Asset Management Inc. on August 23, 2022.

2. INVESTMENT OBJECTIVE OF THE FUND

The investment objective of the Fund is to maximize total returns for unitholders while preserving capital in the long term. The portfolio of securities of the Fund (the "Portfolio") will be invested primarily in investment grade bonds issued by Canadian issuers available to domiciled investors. Investment grade bonds means debt securities and term loans that are generally rated at or above BBB- from S&P, or Baa3 or higher from Moody's Investor Services Inc., or a similar rating from a qualified rating agency. Currently, the Fund may invest up to 25% of the Portfolio in investment grade bonds issued by non-Canadian issuers. As at June 30 of each year (each a "determination date"), at least 90% of the Portfolio will be invested in securities denominated in Canadian dollars.

3. BASIS OF PRESENTATION AND ADOPTION OF IFRS

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") including International Accounting Standards (IAS) 34: Interim Financial Reporting as published by the International Accounting Standards Board (IASB).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-

ended investment funds and derivatives, cash and other trade receivable and payables. All financial assets and liabilities are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Funds have transferred substantially all risks and rewards of ownership.

a) Classification and Measurement

The investments are classified as at fair value through profit or loss. The Fund classifies its investments in debt and equity securities and open-ended investment funds based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

These financial assets are managed and their performance is evaluated on a fair value basis. The Fund also manages these financial assets with the objective of realizing cash flows through sales.

Financial assets and financial liabilities at amortized cost

The financial assets and liabilities measured at amortized cost include loans payable, accrued interest receivable, cash, accrued expenses and distribution payable.

IFRS 9 Financial Instruments ("IFRS 9")

Financial assets carried at amortized cost are subjected to expected credit loss model ("ECL"), as required by IFRS 9. The Fund's financial assets measured at amortized cost consist of trade receivables with no financing component and which have maturities of less than 12 months, as such, it has chosen to apply the simplified ECL approach, whereby any loss allowance is recognized based on the lifetime ECLs. Given the short-term nature of the trade receivables and high credit quality, these trade receivables are not considered impaired.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts.

Ridgewood Canadian Investment Grade Bond Fund

Notes to the Financial Statements

June 30, 2022 (unaudited)

Capital Disclosures

The Fund's objectives, policies and processes for managing capital are described in Note 2. Information on the Fund's capital structure is described in Note 5. The Fund does not have any externally imposed capital requirements.

Valuation of Investments

Investments are recorded in the financial statements at their fair value which is determined as follows:

Bonds are valued at the mean of bid/ask prices provided by recognized investment dealers.

Cash is comprised of cash on deposit.

Investment Transactions and Income Recognition

Investment transactions are recorded on trade date. Interest income from investments in bonds and short-term investments are accrued daily. Realized gains and losses from investment transactions are calculated on a weighted average cost basis.

Income Recognition

Interest income for distribution purposes resulting from investments in bonds is recognized on an accrual basis based on the bond coupon rate.

Financial Instruments – Disclosures

The Fund classifies fair value measurements within a hierarchy that prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy are as follows.

Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Investment Manager has the ability to access at the measurement date.

Level 2 Inputs other than quoted prices that is observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation.

All fair value measurements above are recurring. The carrying values of cash, subscriptions receivable, interest receivable, payable for investments purchased, redemptions payable, distributions

payable, accrued liabilities and the Fund's obligation for net assets attributable to holders of redeemable units approximates their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

a) Bonds and short-term investments

Bonds include primarily government and corporate bonds. Short-term notes and treasury bills are stated at amortized cost plus accrued interest, which approximates fair market value. The inputs that are significant to valuation are generally observable and therefore the Fund's bonds and short-term investments have been classified as Level 2.

Please see Note 12 for these disclosures.

Foreign currency

a) Functional and presentation currency

Items included in the financial statements of the Fund are measured in the currency of the primary economic environment in which the Fund operates (the "functional currency"). The annual financial statements of the Fund are presented in CAD which is the Fund's functional currency.

b) Foreign currency translation

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary items and non-monetary assets and liabilities that are denominated in foreign currencies are recognized in profit or loss in the period in which they arise. Foreign exchange gains and losses on financial assets and financial liabilities at fair value through profit or loss are recognized together with other changes in fair value.

Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and 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:

Ridgewood Canadian Investment Grade Bond Fund

Notes to the Financial Statements

June 30, 2022 (unaudited)

a) Fair value measurement of derivatives and securities not quoted in an active market

The Fund holds financial instruments that are not quoted in active markets. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding.

The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 13 – Financial Instruments – Fair Value Disclosure for further information about the fair value measurement of the Fund's financial instruments.

b) Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments about whether or not the business of the Funds is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Funds' investments are classified as fair value through profit or loss ("FVTPL").

5. REDEEMABLE UNITS

Each unitholder in the Fund acquires redeemable units, which represent an undivided interest in the net assets of the Fund. All redeemable units are of the same class with equal rights and privileges. Each redeemable unit is entitled to one vote at any meeting of unitholders and to equal participation in any distributions made by the Fund. Fractional units are not entitled to voting privileges. Each redeemable unit is redeemable at the option of the unitholder in accordance with the Trust Agreement. The units of the Fund are fully paid when issued.

Following are the redeemable unit transactions during the period:

June 30, 2022

	2022
Units outstanding, Beginning of period	18,575,820
Redeemable units issued for cash	-
Redeemable units redeemed	-
Units issued on reinvestment of distributions	-
Units outstanding, end of period	18,575,820

December 31, 2021

	2021
Units outstanding, Beginning of year	16,390,022
Redeemable units issued for cash	2,185,798
Redeemable units redeemed	-
Units issued on reinvestment of distributions	-
Units outstanding, end of year	18,575,820

6. RELATED PARTY TRANSACTIONS

The Fund's investment activities are managed by Ridgewood.

Management fees

Under the terms of the management agreement dated November 27, 2009 as amended and restated on December 17, 2009, the Fund appointed the Manager to provide management services. The Manager receives a fee based on the NAV of the Fund's units, accrued daily and payable monthly out of the assets of the Fund. The maximum management fee is equal to 0.50% (excluding HST) of the net asset value of the Fund. Services received under the Declaration of Trust include managing or arranging for the management of the Fund's investment portfolio and providing or arranging for all required administrative services to the Fund. Total Management fees for the period ended June 30, 2022 amounted to \$725,688 (June 30, 2021 - \$734,546).

Independent Review Committee fees

The total remuneration paid to members of the Independent Review Committee during the period ended June 30, 2022 was \$9,755 (June 30, 2021 - \$10,029).

7. MANAGEMENT FEES AND EXPENSES

Ridgewood is responsible for providing, or causing to be provided, management and administrative services and facilities to the Fund, and may delegate certain of its powers to third parties.

Ridgewood Canadian Investment Grade Bond Fund

Notes to the Financial Statements

June 30, 2022 (unaudited)

The Fund also pays for all expenses incurred in connection with its operations and administration, including, without limitation, mailing and printing expenses for periodic reports to unitholders and other unitholder communications including marketing and advertising expenses; fees payable to the Custodian, the registrar and transfer agent, the valuation Agent, prime broker and/or other parties engaged by the Fund for performing certain financial, record keeping, reporting and general administrative services are charged to the Fund; any reasonable out-of-pocket expenses incurred by the Manager or its agents in connection with their ongoing obligations to the Fund; any additional fees payable to the Manager for performance of extraordinary services on behalf of the Fund; fees payable to the auditors and legal advisors; regulatory filing, stock exchange and licensing fees; any expenditures incurred upon the termination of the Fund; and fees payable to the members of the independent review committee of the Fund. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager or any other party is entitled to indemnity by the Fund. The Fund also is responsible for any taxes payable by the Fund or to which the Fund may be subject, interest expenses on borrowing, its costs of portfolio transactions and any extraordinary expenses which it may incur from time to time.

8. BROKERAGE COMMISSIONS

The Fund uses some of the commissions generated from transactions with the brokerage industry for goods and services used in the investment decision making process and order executions.

9. DISTRIBUTIONS

Net income and net realized capital gains of the Fund may be declared payable to unitholders of the Fund from time to time at the discretion of Ridgewood, provided that in each year sufficient net income and net realized capital gains will be made payable to unitholders so that the Fund will not be liable for income tax thereon, except to the extent that any tax payable on net realized capital gains retained by the Fund would be immediately refundable to it.

Net income and net realized capital gains payable to unitholders of the Fund will be automatically reinvested in additional units of the Fund as of the valuation date of payment unless the unitholder otherwise requests in writing.

10. LOAN PAYABLE INTEREST AND BANK FEES

The Fund has a margin account held at Scotiabank which requires collateral against loans (see Schedule of Investments). The Fund can borrow an amount up to 35% of the total assets of the Fund.

Loan Payable

As at June 30, 2022, the balance of the account was \$120,542,865 (December 31, 2021 - \$155,118,303). During the period, the maximum amount borrowed was \$159,851,072 (December 31, 2021 - \$161,835,064) and the minimum amount borrowed was \$101,571,510 (December 31, 2021- \$107,575,123).

Interest and Bank Fees

Total interest and bank fees on the account were \$875,717 for the period (December 31, 2021 - \$1,229,835). The account is charged interest based on Bloomberg Ticker Reference plus 60bps on debit spread or minus 25 bps on credit spread. If interest rates had increased/decreased by 100 basis points, interest expense would have changed by approximately \$691,323 (December 31, 2021 - \$1,447,288).

11. INCOME TAXES

The Fund qualifies as a "mutual fund trust" under the Income Tax Act (Canada). The Fund uses the "capital gains refund mechanism" which allows a mutual fund trust to retain some capital gains without paying any tax thereon. As a result, the Fund may not distribute all of its net capital gains. The net income and net capital gains of the Fund that would otherwise be taxable in the Fund are either paid or payable to unitholders in each calendar year. Accordingly, no income tax is paid or payable by the Fund. Such income is taxable in the hands of the unitholders.

As at December 31, 2021 taxation year-end, the Fund had no capital losses and no non-capital losses available for carryforward (2020 – \$Nil).

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Fund's financial instruments consist of bonds, asset-backed securities, liabilities for securities redeemed, cash and loan payable. As a result, the Fund is primarily exposed to interest rate risk and credit risk.

These risks and related risk management practices employed by the Fund are discussed below:

Interest Rate Risk

The Fund's interest-bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Since the loan payable is a short-term obligation the interest rate sensitivity is minimal.

Ridgewood Canadian Investment Grade Bond Fund

Notes to the Financial Statements

June 30, 2022 (unaudited)

The table summarizes the Fund's exposure to interest rate risks, categorized by the earlier of contractual repricing or maturity dates

As at June 30, 2022:

	Less than 1 month	1-3 months	3 months -1 year
Loan payable	\$	\$	\$
Interest Rate Exposure	-	120,542,865	-

	Less than 1 year	1-3 years	3-5 years	More than 5 years
Investments	\$	\$	\$	\$
Interest Rate Exposure	9,586,023	41,076,442	57,906,872	256,436,519

	Non Interest bearing	Total
	\$	\$
Interest Rate Exposure	-	365,005,856

As at December 31, 2021:

	Less than 1 month	1-3 months	3 months -1 year
Loan payable	\$	\$	\$
Interest Rate Exposure	-	155,118,303	-

	Less than 1 year	1-3 years	3-5 years	More than 5 years
Investments	\$	\$	\$	\$
Interest Rate Exposure	9,618,798	33,164,191	67,842,737	341,988,030

	Non Interest bearing	Total
	\$	\$
Interest Rate Exposure	-	452,613,756

At June 30, 2022, should interest rates have decreased by 100 basis points with all other variables remaining constant, the increase in net assets for the period would amount to approximately \$11.2 million (December 31, 2021 - \$5.6 million), arising from the increase in market values of debt securities. Conversely, if interest rates had risen by 100 basis points, the decrease in net assets would amount to approximately \$11.2 million (December 31, 2021 - \$5.6 million).

Credit Risk

Financial instruments that potentially subject the Fund to a concentration of a credit risk consist primarily of cash and investments. The Fund limits its exposure to credit loss by placing its cash with high quality government and financial institutions. To maximize the credit quality of its investments, the Fund's managers perform ongoing credit evaluations based upon factors surrounding the credit risk of customers, historical trends and other information. The Fund also measures credit risk and lifetime ECL related to the accrued interest receivables using historical analysis and forward looking information.

The Fund's main credit risk concentration is spread between A/A and BBB/Baa rated securities.

The Fund invests in financial assets, which have an investment grade as rated by well-known rating agency DBRS.

Portfolio by rating category June 30, 2022	
Rating	As a % of Net Assets
AAA/Aaa	0.00%
AA/Aa	1.22%
A/A	32.31%
BBB/Baa	114.76%
Below BBB	0.00%
Unrated	0.00%
Total	148.29%

Portfolio by rating category December 31, 2021	
Rating	As a % of Net Assets
AAA/Aaa	3.27%
AA/Aa	1.05%
A/A	21.39%
BBB/Baa	127.16%
Below BBB	0.00%
Unrated	0.00%
Total	152.87%

All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

Ridgewood Canadian Investment Grade Bond Fund

Notes to the Financial Statements

June 30, 2022 (unaudited)

The rating category of certain financial assets previously reported as Below BBB and Unrated have been revised to reflect the actual rating of the securities.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund's transactions and holdings are in Canadian dollars. So there is no currency risk (December 31, 2021 – Nil).

Liquidity Risk

Liquidity risk is the risk that a Fund will encounter difficulty in meeting obligations associated with its daily cash redemption of units. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and which can be readily disposed of. The tables below analyze the Fund's financial liabilities as at June 30, 2022 and December 31, 2021.

As at June 30, 2022:

	1-3 months	> 3 months	Total
	\$	\$	\$
Accrued expenses	376,910	-	376,910
Distribution payable	984,518	-	984,518
Loan payable	120,542,865	-	120,542,865
Total liabilities	121,904,293	-	121,904,293

As at December 31, 2021:

	1-3 months	> 3 months	Total
	\$	\$	\$
Accrued expenses	370,448	-	370,448
Distribution payable	4,524,440	-	4,524,440
Loan payable	155,118,303	-	155,118,303
Total liabilities	160,013,191	-	160,013,191

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk as a percentage of net assets attributable to holders of redeemable units.

Market segments	June 30, 2022
Canadian Corporate Bonds	99.39%
Mortgage-Backed Securities	46.03%
Foreign Corporate Bonds	0.00%
U.S Corporate Bonds	2.87%
Total	148.29%

Market segments	December 31, 2021
Canadian Corporate Bonds	106.31%
Mortgage-Backed Securities	40.37%
Foreign Corporate Bonds	2.92%
Government of Canada	3.27%
Total	152.87%

13. Financial Instruments – Disclosures

Fair Value Disclosure

The Fund's financial assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy described in Note 4. The following fair value hierarchy table presents information about the Fund's assets measured at fair value on a recurring basis as of June 30, 2022 and December 31, 2021.

Financial Assets and Liabilities at fair value as of June 30, 2022				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Bonds	-	251,706,382	-	251,706,382
Mortgage-backed securities	-	113,299,474	-	113,299,474
Cash/ (Bank Overdraft)	261,381	-	-	261,381
Loan payable	-	120,542,865	-	120,542,865
Total	261,381	485,548,721	-	485,810,102

Financial Assets and Liabilities at fair value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Bonds	-	333,085,817	-	333,085,817
Mortgage-backed securities	-	119,527,939	-	119,527,939
Cash/ (Bank Overdraft)	202,493	-	-	202,493
Loan payable	-	155,118,303	-	155,118,303
Total	202,493	607,732,059	-	607,934,552

There were no significant transfers made between Levels 1 and 2 as a result of changes in the availability of quoted market prices or observable market inputs during the periods ended June 30, 2022 and 2021.

Ridgewood Canadian Investment Grade Bond Fund

Notes to the Financial Statements

June 30, 2022 (unaudited)

In addition, there were no investments or transactions classified in Level 3 for the periods ended June 30, 2022 and 2021.

**Closed End Fund
Managed by Ridgewood Capital Asset Management Inc.**

Ridgewood Canadian Investment Grade Bond Fund

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Visit our website at www.ridgewoodcapital.ca for additional information on Ridgewood Funds.