



Ridgewood Canadian Investment Grade Bond Fund

Interim Report of Fund Performance
For the six months ended June 30, 2023

Ridgewood Canadian Investment Grade Bond Fund

Management Report of Fund Performance

For the six months ended June 30, 2023

Management Report of Fund Performance

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling 416-842-0887 or 1-888-789-8957 toll free, or by writing to us at Investor Relations, Ridgewood Capital Asset Management Inc., 55 University Avenue, Suite 1020, Toronto, Ontario, M5J 2H7, or by visiting our website at www.ridgewoodcapital.ca or SEDAR at www.sedar.com. Unitholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Results of Operations

For the six months ended June 30, 2023, the net asset value of the Fund was \$12.45 compared to \$12.67 per unit on December 31, 2022.

For more detailed information on the investment returns, please see the Annual Total Return bar graph.

For the six months ended June 30, 2023, the fund had a return of 0.77% net of fees and expenses of 0.50% while the FTSE Universe Bond Index had a return of 2.51% and FTSE Corporate Bond index returned 2.97%. Infrastructure bonds were the strongest sector, returning 4.63%. It was also the case that Corporate BBB bonds returned 3.30%, 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. The yield curve is the most inverted since 1981 and historically an inversion of this magnitude has preceded a growth slowdown/recession.

The Fund may utilize various forms of borrowings including a loan facility and margin purchases, up to 35% of the total assets of the Fund at the time of the borrowing. Ridgewood, in its capacity as trustee of the Fund, established a margin account with The Bank of Nova Scotia ("Scotia") on January 29, 2010. The Fund is required to pay interest to Scotia on any outstanding indebtedness. Such indebtedness is collateralized by a security interest in the portfolio of investments.

As at June 30, 2023, \$81,356,416 of the Fund was leveraged. During the six months ended June 30, 2023, the Fund's maximum leverage outstanding was \$91,494,036 and the minimum leverage outstanding was \$14,491,024.

Recent Developments

It was a very challenging first half of 2023 as persistently high inflation rates have resulted in the Federal reserve and the Bank of Canada to continue raising rates by 75 bp respectively so far in 2023. As the cumulative effects of higher rates filter into the economy, markets are searching for global central banks to pivot away from their current policy objective of monetary tightening. Corporate bonds continue to perform well in this environment as they provide an additional yield over lower yielding Government bonds.

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 six months ended June 30, 2023 and the past five years as applicable.

Information for the six months period ended June 30, 2023 is derived from the Fund's unaudited financial statements, while information for the years ended December 31 is derived from the Fund's audited financial statements. The Net Asset Value in the Net Assets per Unit table as at June 30, 2023 is from the Fund's unaudited financial statements, while the ones as at December 31 of the past years are from the Fund's audited financial statements. Calculations for the purposes of MRFP are made using Net Asset Value. The Net Asset Value in the Ratios/Supplemental Data table is for fund pricing purposes. Both the Net Asset Value in the Net Assets per Unit table and in the Ratios/Supplemental Data table are calculated using closing prices.

Ridgewood Canadian Investment Grade Bond Fund

Management Report of Fund Performance

For the six months ended June 30, 2023

The Fund's Net Assets per Unit

Class A

	2023	2022	2021	2020	2019	2018
Net assets value, beginning of period	\$ 12.67	\$ 15.94	\$ 16.20	\$ 15.07	\$ 13.77	\$ 14.09
Increase from operations:						
Total revenue	0.42	0.96	1.04	1.03	1.03	1.05
Total expenses	(0.15)	(0.22)	(0.19)	(0.20)	(0.28)	(0.26)
Realized gains (losses)	(0.29)	(1.11)	0.17	0.21	0.19	(0.11)
Unrealized gains (losses)	0.12	(2.18)	(0.42)	0.73	0.98	(0.37)
Total increase (decrease) from operations ⁽²⁾	0.10	(2.55)	0.60	1.77	1.92	0.31
Distributions:						
From net investment income (excluding dividends)	(0.32)	(0.72)	(0.83)	(0.80)	(0.78)	(0.76)
From dividends	-	-	-	-	-	-
From net realized capital gains (losses)	-	-	(0.10)	(0.28)	(0.09)	-
From return of capital	-	-	-	-	-	-
Total annual distributions ⁽³⁾	(0.32)	(0.72)	(0.93)	(1.08)	(0.87)	(0.76)
Net assets value, end of period ⁽⁴⁾	\$ 12.45	\$ 12.67	\$ 15.94	\$ 16.20	\$ 15.07	\$ 13.77

⁽¹⁾ This information is derived from the Fund's unaudited Interim financial statements as at June 30 of the Period.

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

⁽³⁾ Distributions, if any, were paid in cash, reinvested in additional units of the Fund, or both.

⁽⁴⁾ The Financial Highlights are not intended to act as a continuity of the opening and closing net assets per unit.

Ratios and Supplemental Data

Class A

	2023	2022	2021	2020	2019	2018
Net asset value (000's)	\$ 231,270	\$ 235,317	\$ 296,084	\$ 265,501	\$ 217,259	\$ 172,952
Number of units outstanding	18,575,820	18,575,820	18,575,820	16,390,022	14,413,488	12,563,499
Management expense ratio ⁽³⁾	2.31%	1.60%	1.17%	1.32%	1.90%	1.89%
Management expense ratio before waivers or absorptions ⁽⁴⁾	2.31%	1.60%	1.17%	1.32%	1.90%	1.89%
Trading expense ratio ⁽⁶⁾	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate ⁽⁵⁾	38.44%	44.53%	84.79%	145.48%	95.65%	55.82%
Closing market price	\$ 14.75	\$ 14.90	\$ 17.19	\$ 17.00	\$ 16.84	\$ 14.88
Net asset value per unit, end of period	\$ 12.45	\$ 12.67	\$ 15.94	\$ 16.20	\$ 15.07	\$ 13.77

⁽¹⁾ The information is provided for the period ended June 30, 2023

⁽²⁾ The inception date for Class A is December 18, 2009.

⁽³⁾ Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net assets during the year. Out of its management fees, the Manager pays for such services to the Fund as portfolio manager compensation, service fees and marketing. Management expense ratio is inclusive of performance fees.

⁽⁴⁾ The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the Fund. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager.

⁽⁵⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio investments are traded. 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 period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

⁽⁶⁾ The trading expense ratio represents total commissions and other portfolio transactions costs expressed as an annualized percentage of daily average net asset value during the period.

Management Fees

Ridgewood Capital Asset Management Inc. (the "Manager") is entitled to an annual management fee payable 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. The fee is accrued daily and payable monthly out of the assets 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.

Ridgewood Canadian Investment Grade Bond Fund

Management Report of Fund Performance

For the six months ended June 30, 2023

Past Performance

The past performance of the Fund is set out below and indicates year-by-year returns and overall past performance.

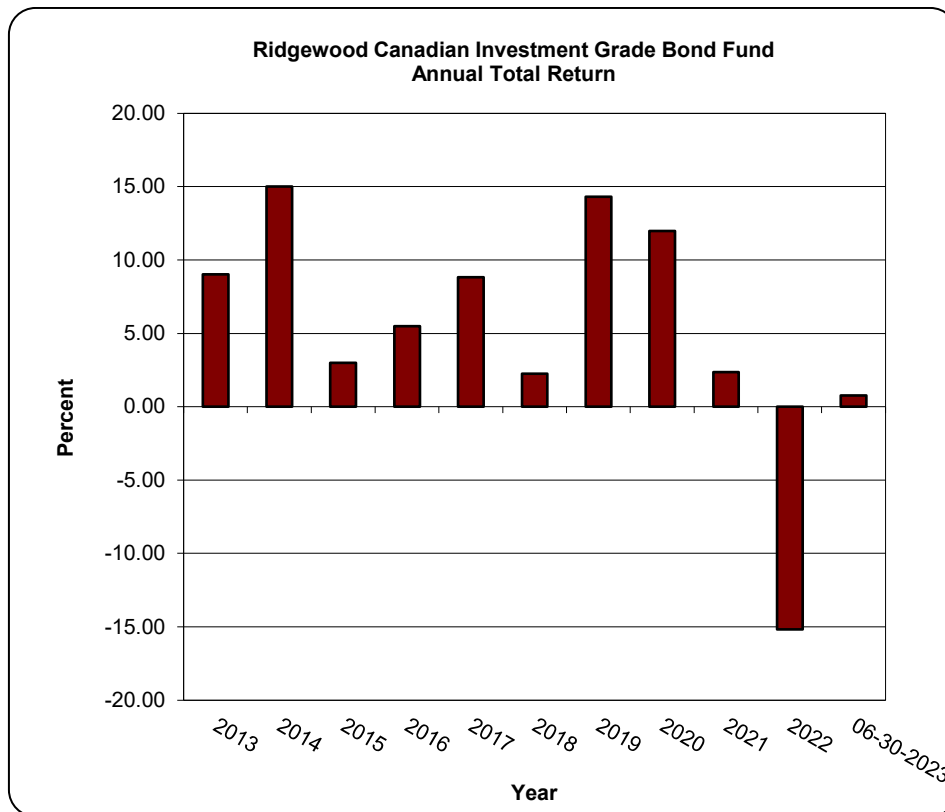
With respect to the charts displayed below, please note the following:

- the returns or performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund;
- the returns or performance information does not take into account sales, redemptions, distributions or other optional charges or income taxes payable that would have reduced returns or performance; and
- how the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-By-Year Returns

The bar chart illustrates how the Fund's annual total return in each year since the Fund's inception including the six-month period ended June 30, 2023 has varied from period to period. The chart also shows, in percentage terms, how much an investment made on January 1 in each year would have increased or decreased by the end of that fiscal year, or June 30, 2023 for the six months then ended.

Annual Total Return



Summary of Investment Portfolio

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly update will be available on our website at www.ridgewoodcapital.ca.

Ridgewood Canadian Investment Grade Bond Fund

Management Report of Fund Performance

For the six months ended June 30, 2023

Asset Mix

June 30, 2023

% of Total Net Asset Value

Corporate Bonds	83.3%	Mortgaged-Backed Securities	37.2%
Government Bonds	10.6%	US Corporate Bonds	2.7%

Top 25 Holdings

	% of Total Net Asset Value
1. Government of Canada, 1.750%, 2053/12/01	10.7%
2. Bell Canada, 5.150%, 2053/02/09	6.2%
3. REALT 2019-HBC, 4.445%, 2024/06/14	6.0%
4. Manulife, 7.117%, 2027/06/19	5.4%
5. Pembina Pipeline Corp., 4.800%, 2030/12/25	4.9%
6. Cameco Corp., 5.090%, 2042/11/14	4.8%
7. TransAlta Corp., 7.300%, 2029/10/22	4.6%
8. Transalta Corp. 6.900%, 2030/11/15	4.0%
9. Manulife Financial Corp., 4.100%, 2027/06/19	4.0%
10. Institutional Mortgage Securities Canada Inc., 2013-4 D, 4.530%, 2023/11/12	3.8%
11. Institutional Mortgage Securities Canada Inc., 2015-6 D, 3.940%, 2025/03/12	3.5%
12. Institutional Mortgage Securities Canada Inc., 2013-4 C, 4.530%, 2023/11/12	3.3%
13. REALT, Class 'D', Series '2016-1, 3.620%, 2026/05/12	3.2%
14. National Bank of Canada, 4.300%, 2025/11/15	3.2%
15. Sagen MI Canada Inc., 4.950%, 2026/03/24	3.1%
16. Great-West Lifeco Inc., 3.600%, 2026/12/31	3.0%
17. Bank of Nova Scotia, 3.700%, 2026/07/27	3.0%
18. Teranet Holdings LP., 5.754%, 2040/12/17	2.7%
19. Bank of Montreal, 7.060%, 2028/04/26	2.7%
20. Manulife Financial Corp., 3.375%, 2026/06/19	2.7%
21. Citigroup Inc., 5.370%, 2036/03/06	2.6%
22. Trisura Group Ltd., 2.640%, 2026/06/11	2.6%
23. Institutional Mortgage Securities Canada Inc., 2016-7 D, 3.840%, 2026/10/12	2.6%
24. Bank of Montreal, 7.370%, 2049/12/31	2.5%
25. REALT, Class 'C', Series '2019-1, 4.020%, 2029/05/12	2.5%
Total	97.6%

Independent Review Committee

National Instrument 81-107- Independent Review Committee for Investment Funds (“NI 81-107”) requires all publicly offered investment funds to establish an independent review committee (“IRC”) to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions. The current members of the IRC are G. Tomlinson Gunn, Allen B. Clarke, and Marshall E. Nicholishen. Mr. Gunn serves as the Chair of the IRC.

We confirm the Fund did not rely on any approvals or recommendation of the IRC concerning related party transactions during the period.

Ridgewood Canadian Investment Grade Bond Fund

Management Report of Fund Performance

For the six months ended June 30, 2023

Forward-Looking Statements

This report may contain forward-looking statements about the Fund. 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 “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund actions, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Fund currently anticipates that subsequent events and developments may cause the Fund’s views to change, the Fund does not undertake to update any forward-looking statements unless required by applicable law.

Managed by Ridgewood Capital Asset Management Inc.

Ridgewood Canadian Investment Grade Bond Fund

Head Office:
Ridgewood Capital Asset Management Inc.
55 University Avenue, Suite 1020
Toronto ON
M5J 2H7

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