



MD Financial
Management Inc.

MD Family of Funds

2023 Interim

Financial Statements

A Message Regarding Your Financial Statements

Dear MD Family of Funds Investor:

As part of our commitment to keeping you informed about your MD fund investments, please find attached the 2023 Interim Financial Statements.

The Interim Financial Statements are produced on a fund-by-fund basis, and your report only includes information on the funds you owned as of June 30, 2023.

If you have any questions regarding these documents, please contact your MD advisor or the MD TradeCentre at 1 800 267-2332. We thank you for your continued investment in the MD Family of Funds.

Interim Unaudited Financial Statements for the Six-Month Period Ended June 30, 2023

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance ("MRFP") of the investment fund. If you have not received a copy of the Interim MRFP with this report, you may obtain a copy of the Interim MRFP at your request, and at no cost, by calling the toll-free number 1 800 267-2332, by writing to us at MD Financial Management Inc., 1870 Alta Vista Drive, Ottawa ON K1G 6R7, by visiting our website at md.ca or by visiting the SEDAR website at sedar.com. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above. Securityholders 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.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

MD Financial Management Inc, the Manager of the Fund, appoints independent auditors to audit the Fund's Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice. The Fund's independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

MD Financial Management Inc. wholly owns or has a majority interest in its seven subsidiaries (the MD Group of Companies). It provides financial products and services, is the fund manager for the MD Family of Funds and offers investment counselling services. For a detailed list of the MD Group of Companies, visit md.ca.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. The rate of return is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual fund or returns on investment in the mutual fund. Standard performance data assumes reinvestment of distributions only and does not take into account sales, redemption, distribution or optional charges payable by any securityholder which would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the prospectus before investing. You may obtain a copy of the prospectus before investing by calling your MD Advisor or the MD Trade Centre at 1 800 267-2332.

MD Family of Funds

Management's Responsibility for Financial Reporting

Management acknowledges responsibility for the preparation and presentation of the financial statements of MD Money Fund, MD Bond Fund, MD Short-Term Bond Fund, MD Precision Canadian Balanced Growth Fund, MD Precision Canadian Moderate Growth Fund, MD Dividend Growth Fund, MD Equity Fund, MD Canadian Equity Fund, MD American Value Fund, MD American Growth Fund, MD International Value Fund, MD International Growth Fund, MD Growth Investments Limited, MD Strategic Yield Fund, MD Strategic Opportunities Fund, MD Precision Conservative Portfolio, MD Precision Moderate Balanced Portfolio, MD Precision Balanced Growth Portfolio, MD Precision Maximum Growth Portfolio, MD Precision Balanced Income Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Conservative Index Portfolio, MD Precision Moderate Balanced Index Portfolio, MD Precision Balanced Growth Index Portfolio, MD Precision Maximum Growth Index Portfolio, MDPIIM Canadian Equity Pool, MDPIIM US Equity Pool, MD Fossil Fuel Free Bond Fund™, MD Fossil Fuel Free Equity Fund™, MDPIIM S&P TSX Capped Composite Index Pool, MDPIIM S&P 500 Index Pool, MDPIIM International Equity Index Pool, and MDPIIM Emerging Markets Equity Pool (collectively "the funds"). The MDPIIM S&P TSX Capped Composite Index Pool, MDPIIM S&P 500 Index Pool, MDPIIM International Equity Index Pool and MDPIIM Emerging Markets Equity Pool are funds from the MDPIIM Family of Funds, offered under separate Prospectus to discretionary managed accounts clients of MD Private Investment Counsel, however these Pools offer Series F units which are available to clients of MD Management Limited. These financial statements have also been approved, in its capacity as trustee, by the Board of Directors of MD Financial Management Inc., with the exception of MD Growth Investments Limited, which has been approved by its own Board of Directors.

The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Management has, where required, made these judgments and estimates on a reasonable basis to ensure that the financial statements are presented fairly in all material respects. Management also maintains strong internal controls to provide reasonable assurance that the financial information provided is reliable and accurate, that the funds' assets are appropriately accounted for and safeguarded, and that any compliance requirements arising under corporate legislation, securities regulations and internal codes of business conduct are strictly adhered to.

The Board of Directors of MD Financial Management Inc. and MD Growth Investments Limited are responsible to ensure that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the respective financial statements as outlined above.

The Board of Directors for MD Financial Management Inc. and MD Growth Investments Limited ("the Boards"), meet with the external auditors periodically to discuss internal control, accounting and auditing matters and financial reporting issues in order to satisfy themselves that each party's Board of Directors has properly discharged its statutory responsibilities with regard to financial reporting. The Boards review unaudited semi-annual financial statements and audited annual financial statements including the external auditors' report thereon. The Boards consider these findings when making their ultimate approval of the financial statements for issuance. The Boards also review the appointment of the external auditors annually.

KPMG LLP is the external auditor of the funds. The auditor of the funds has not reviewed these interim financial statements.

Signed on behalf of MD Growth Investments Limited.



Craig Maddock
President and Chief Executive Officer
MD Growth Investments Limited



Katie Shulha
Chief Financial Officer
MD Growth Investments Limited

Signed on behalf of MD Financial Management Inc., in its capacity as trustee for MD Money Fund, MD Bond Fund, MD Short-Term Bond Fund, MD Precision Canadian Balanced Growth Fund, MD Precision Canadian Moderate Growth Fund, MD Dividend Growth Fund, MD Equity Fund, MD Canadian Equity Fund, MD American Value Fund, MD American Growth Fund, MD International Value Fund, MD International Growth Fund, MD Strategic Yield Fund, MD Strategic Opportunities Fund, MD Precision Conservative Portfolio, MD Precision Moderate Balanced Portfolio, MD Precision Balanced Growth Portfolio, MD Precision Maximum Growth Portfolio, MD Precision Balanced Income Portfolio, MD Precision Moderate Growth Portfolio, MD Precision Conservative Index Portfolio, MD Precision Moderate Balanced Index Portfolio, MD Precision Balanced Growth Index Portfolio, MD Precision Maximum Growth Index Portfolio, MDPIIM Canadian Equity Pool, MDPIIM US Equity Pool, MD Fossil Fuel Free Bond Fund and MD Fossil Fuel Free Equity Fund, MDPIIM S&P TSX Capped Composite Index Pool, MDPIIM S&P 500 Index Pool, MDPIIM International Equity Index Pool and MDPIIM Emerging Markets Equity Pool.



Pamela Allen
President and Chief Executive Officer
MD Financial Management Inc.



Rob Charters
Chief Financial Officer
MD Financial Management Inc.

MD International Value Fund

Financial Statements

Statements of Financial Position (unaudited)

(in \$000's except for units outstanding and per unit amounts)

	June 30, 2023	December 31, 2022
Assets		
Current assets		
Investments (Note 3, 8 and 9)	\$ 217,624	\$ 217,517
Cash	8,413	2,432
Dividends and interest receivable	1,531	1,019
Financial derivative instruments (Note 3)	144	438
Receivable for investment transactions	33	630
Subscriptions receivable	2	1
	227,747	222,037
Liabilities		
Current liabilities		
Accrued expenses (Note 4)	6	5
Payable for investment transactions	16	205
Distributions payable	40	-
Redemptions payable	2	353
Financial derivative instruments (Note 3)	367	99
	431	662
Net assets attributable to holders of redeemable units	\$ 227,316	\$ 221,375
Net assets attributable to holders of redeemable units per series		
Series A	\$ 18,605	\$ 19,464
Series D	\$ 838	\$ 763
Series F	\$ 30,546	\$ 27,643
Series I	\$ 177,327	\$ 173,505
Number of redeemable units outstanding (see Fund Specific Notes)		
Series A	1,521,811	1,718,677
Series D	77,840	76,567
Series F	2,774,453	2,712,715
Series I	15,231,666	16,083,347
Net assets attributable to holders of redeemable units per unit, per series		
Series A	\$ 12.23	\$ 11.33
Series D	\$ 10.77	\$ 9.96
Series F	\$ 11.01	\$ 10.19
Series I	\$ 11.64	\$ 10.79

Statements of Comprehensive Income (unaudited)

for the periods ended June 30 (in \$000's except for per unit amounts)

	2023	2022
Income		
Net gain (loss) on investments		
Dividends	\$ 5,793	\$ 5,773
Interest for distribution purposes	150	20
Net realized gain (loss) on sale of investments	3,450	(90)
Change in unrealized appreciation (depreciation) of investments	15,447	(49,576)
Net gain (loss) on investments	24,840	(43,873)
Net gain (loss) on derivative instruments		
Net realized gain (loss) on derivative instruments	(1,383)	(150)
Change in unrealized appreciation (depreciation) of derivative instruments	(562)	(118)
Net gain (loss) on derivatives instruments	(1,945)	(268)
Other Income		
Foreign exchange gain (loss) on cash	(109)	(458)
Securities lending (see Fund Specific Notes)	45	28
Other	2	34
Total other income	(62)	(396)
Total income (loss)	22,833	(44,537)
Expenses		
Management fees (Note 4)	277	294
Administration fees (Note 4)	55	55
Interest expense	2	2
Withholding tax on foreign income	660	671
Transaction costs (Note 5)	76	156
Total expenses	1,070	1,178
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 21,763	\$ (45,715)
Increase (decrease) in net assets attributable to holders of redeemable units per series		
Series A	\$ 1,720	\$ (4,690)
Series D	\$ 72	\$ (160)
Series F	\$ 2,675	\$ (5,593)
Series I	\$ 17,296	\$ (35,272)
Increase (decrease) in net assets attributable to holders of redeemable units per unit, per series		
Series A	\$ 1.06	\$ (2.44)
Series D	\$ 0.95	\$ (2.15)
Series F	\$ 0.98	\$ (2.15)
Series I	\$ 1.12	\$ (2.16)

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

MD International Value Fund

Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units ("Net Assets") (unaudited)

for the periods ended June 30 (in \$000's)

	2023	2022
SERIES A		
Net assets - beginning of period	\$ 19,464	\$ 25,733
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets attributable to holders of redeemable units	1,720	(4,690)
Redeemable unit transactions		
Proceeds from issue of redeemable units	256	362
Cash paid for redemption of redeemable units	(2,828)	(2,192)
Units issued on reinvestment of distributions	187	187
	(2,385)	(1,643)
Distributions		
From net investment income	(194)	(193)
	(194)	(193)
Net assets - end of period	\$ 18,605	\$ 19,207
SERIES D		
Net assets - beginning of period	\$ 763	\$ 873
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets attributable to holders of redeemable units	72	(160)
Redeemable unit transactions		
Proceeds from issue of redeemable units	57	52
Cash paid for redemption of redeemable units	(49)	(74)
Units issued on reinvestment of distributions	6	3
	14	(19)
Distributions		
From net investment income	(11)	(9)
	(11)	(9)
Net assets - end of period	\$ 838	\$ 685

	2023	2022
SERIES F		
Net assets - beginning of period	\$ 27,643	\$ 30,170
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets attributable to holders of redeemable units	2,675	(5,593)
Redeemable unit transactions		
Proceeds from issue of redeemable units	2,447	1,319
Cash paid for redemption of redeemable units	(2,188)	(1,278)
Units issued on reinvestment of distributions	418	358
	677	399
Distributions		
From net investment income	(449)	(381)
	(449)	(381)
Net assets - end of period	\$ 30,546	\$ 24,595
SERIES I		
Net assets - beginning of period	\$ 173,505	\$ 161,813
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets attributable to holders of redeemable units	17,296	(35,272)
Redeemable unit transactions		
Proceeds from issue of redeemable units	409	46,421
Cash paid for redemption of redeemable units	(13,883)	(3,858)
Units issued on reinvestment of distributions	3,620	3,297
	(9,854)	45,860
Distributions		
From net investment income	(3,620)	(3,297)
	(3,620)	(3,297)
Net assets - end of period	\$ 177,327	\$ 169,104

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

MD International Value Fund

Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units ("Net Assets") (unaudited) (Continued)

for the periods ended June 30 (in \$000's)

	2023	2022
TOTAL FUND		
Net assets - beginning of period	\$ 221,375	\$ 218,589
Add (deduct) changes during the period:		
Operations		
Increase (decrease) in net assets attributable to holders of redeemable units	21,763	(45,715)
Redeemable unit transactions		
Proceeds from issue of redeemable units	3,169	48,154
Cash paid for redemption of redeemable units	(18,948)	(7,402)
Units issued on reinvestment of distributions	4,231	3,845
	(11,548)	44,597
Distributions		
From net investment income	(4,274)	(3,880)
	(4,274)	(3,880)
Net assets - end of period	\$ 227,316	\$ 213,591

Statements of Cash Flows (unaudited)

for the periods ended June 30 (in \$000's)

	2023	2022
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 21,763	\$ (45,715)
Adjustments for:		
Proceeds from sale of investments	57,816	50,288
Purchase of investments	(38,618)	(91,563)
Unrealized foreign exchange (gain) loss on cash	6	1
Net realized (gain) loss on sale of investments	(3,450)	90
Change in unrealized (appreciation) depreciation of investments	(15,447)	49,576
Change in unrealized (appreciation) depreciation of derivative instruments	562	118
Net change in non-cash working capital	(511)	(474)
Net cash from (used in) operating activities	22,121	(37,679)
Cash flows from (used in) financing activities		
Proceeds from issue of redeemable units	929	47,499
Distributions to holders of redeemable units, net of reinvested distribution	(3)	(35)
Cash paid for redemption of redeemable units	(17,060)	(6,715)
Net cash from (used in) financing activities	(16,134)	40,749
Unrealized foreign exchange gain (loss) on cash	(6)	(1)
Net increase (decrease) in cash during the period	5,981	3,069
Cash, beginning of period	2,432	3,310
Cash, end of period	\$ 8,413	\$ 6,379
Interest received	133	15
Dividends received, net of withholding taxes	4,638	4,623

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

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
DOMESTIC EQUITIES			
Consumer Discretionary (0.8%)			
Magna International Inc.	9,137	649	683
Restaurant Brands International Inc.	11,606	759	1,192
Total for Consumer Discretionary		1,408	1,875
Industrials (0.3%)			
Canadian National Railway Company	4,757	694	763
Total for Industrials		694	763
Total for Domestic Equities (1.1%)		2,102	2,638
FOREIGN EQUITIES			
Australia (3.1%)			
Accent Group Limited	153,300	337	228
ANZ Group Holdings Limited	82,034	2,035	1,723
Bank of Queensland Limited	14,293	143	70
BHP Group Limited	17,712	660	700
BlueScope Steel Limited	24,367	338	445
Brambles Limited	18,540	188	236
Coles Group Limited	16,758	264	273
Dexus	21,023	202	145
Fortescue Metals Group Limited	23,158	309	457
Harvey Norman Holdings Limited	85,600	421	264
Inghams Group Limited	2,439	10	6
Metcash Limited	73,800	171	246
Myer Holdings, Ltd.	51,000	126	27
National Australia Bank Limited	7,163	205	167
Nine Entertainment Co. Holdings Limited	101,200	179	177
Rio Tinto Limited	5,825	626	594
Southern Cross Media Group Limited	7,060	101	5
St. Barbara Limited	40,800	132	17
Stockland	60,600	242	217
Telstra Group Limited	68,502	234	260
Transurban Group	5,282	69	67
Treasury Wine Estates Ltd.	17,204	204	171
Washington H. Soul Pattinson & Company Limited	4,226	125	119
Wesfarmers Limited	5,316	267	232
Total for Australia		7,588	6,846
Austria (0.7%)			
Erste Group Bank AG	19,933	828	927
OMV AG	7,673	426	431
Vienna Insurance Group AG	3,200	149	111
Voestalpine AG	2,550	97	121
Total for Austria		1,500	1,590
Belgium (0.1%)			
Ageas SA/NV	5,100	274	274
Total for Belgium		274	274
Bermuda (0.7%)			
CK Infrastructure Holdings Limited	13,500	101	95
Everest Re Group, Ltd.	1,872	542	848
Kerry Properties Limited	47,000	190	129

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
PAX Global Technology Limited	232,000	276	233
Vtech Holdings, Ltd.	29,700	263	258
Yue Yuen Industrial (Holdings) Limited	22,000	62	38
Total for Bermuda		1,434	1,601
Brazil (0.5%)			
Banco Bradesco SA ADR	145,924	834	669
Petroleo Brasileiro SA Sponsored ADR	24,359	305	446
Total for Brazil		1,139	1,115
Cayman Islands (1.1%)			
Baidu, Inc. Sponsored ADR	4,465	865	810
China Resources Cement Holdings Limited	114,000	112	62
CK Asset Holdings Limited	54,500	479	400
CK Hutchison Holdings Limited	62,000	624	503
Kingboard Holdings Limited	27,500	146	100
Lee & Man Paper Manufacturing Limited	100,000	93	44
The United Laboratories International Holdings Limited	238,000	276	264
VSTECs Holdings Limited	162,000	182	111
WH Group Limited	316,000	326	222
Total for Cayman Islands		3,103	2,516
Chile (0.3%)			
Sociedad Quimica y Minera de Chile SA Sponsored ADR	7,559	440	727
Total for Chile		440	727
China (0.7%)			
Anhui Conch Cement Company Limited Cl. H	56,700	339	200
China Life Insurance Company Limited Cl. H	163,000	499	360
Shanghai Fosun Pharmaceutical (Group) Co., Ltd. Cl. H	102,500	461	363
Travelsky Technology Limited Cl. H	210,000	513	474
Total for China		1,812	1,397
Colombia (0.4%)			
Bancolombia SA Sponsored ADR	15,160	736	536
Ecopetrol SA ADR	27,307	446	371
Total for Colombia		1,182	907
Denmark (1.1%)			
A.P. Moller - Maersk A/S Cl. B	134	393	312
Coloplast A/S Series B	2,526	452	418
D/S Norden A/S	3,700	70	244
Danske Bank A/S	9,600	371	310
Novo Nordisk A/S Cl. B	2,297	248	492
Pandora A/S	4,424	435	524
Sydbank A/S	3,000	143	184
Total for Denmark		2,112	2,484
Finland (1.4%)			
Cargotec OYJ Cl. B	3,200	190	233
Elisa OYJ Series A	3,068	223	217
KONE OYJ Series B	3,311	294	229
Nokia OYJ	34,200	264	190
Nordea Bank Abp	116,320	1,350	1,679
Orion OYJ Series B	2,296	127	126
Sampo OYJ Series A	3,532	245	210

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$'000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
TietoEVRY OYJ	8,100	329	296
Total for Finland		3,022	3,180
France (9.8%)			
Air Liquide SA	3,256	559	773
Air Liquide SA Registered Loyalty Bonus Shares	8,353	1,254	1,983
Arkema SA	1,600	220	200
AXA SA	46,345	1,624	1,814
BNP Paribas SA	4,200	303	351
Bouygues SA	10,100	474	449
Bureau Veritas SA	5,996	234	218
Capgemini SE	4,465	830	1,121
Carrefour SA	8,500	213	213
Compagnie de Saint-Gobain SA	6,000	440	484
Compagnie Generale des Etablissements Michelin	3,200	118	125
Credit Agricole SA	29,078	516	458
Dassault Aviation SA	549	119	146
Eurazeo SE	930	98	87
Hermes International	92	154	265
Ipsen SA	2,500	324	399
Ipsos	3,100	131	228
La Francaise des Jeux SAEM	2,282	134	119
L'Oréal SA	2,885	1,210	1,784
LVMH Moët Hennessy Louis Vuitton SE	2,158	1,482	2,698
Nexity SA	2,400	151	64
Orange SA	40,691	614	631
Quadient SA	2,200	162	60
Rexel SA	11,000	230	360
Safran SA	14,058	2,081	2,926
Sanofi	8,382	1,030	1,190
Schneider Electric SE	5,550	796	1,340
Societe BIC SA	2,300	162	175
Societe Generale SA	9,170	460	316
Sopra Steria Group	400	56	106
Television Francaise 1 SA	20,900	281	190
TotalEnergies SE	12,100	843	919
Total for France		17,303	22,192
Germany (6.3%)			
Allianz SE Registered Shares	1,318	397	406
Aurubis AG	1,900	184	216
BASF SE	15,081	1,106	970
Bayer AG Registered Shares	4,700	456	344
Bayerische Motoren Werke (BMW) AG	5,952	665	968
Beiersdorf AG	1,509	272	265
Commerzbank AG	14,994	170	220
Continental AG	8,558	1,282	854
Covestro AG	14,541	880	1,000
Daimler Truck Holding AG	1,950	77	93
Deutsche Bank AG Registered Shares	25,372	421	353
Deutsche Post AG Registered Shares	11,000	609	712
Deutsche Telekom AG Registered Shares	10,156	320	293
Fresenius SE & Co. KGaA	4,400	266	161
Heidelberg Materials AG	4,750	493	517
Henkel AG & Co. KGaA Preferred	2,641	293	280

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$'000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Mercedes-Benz Group AG Registered Shares	8,316	764	887
Merck KGaA	3,938	640	863
MTU Aero Engines AG	2,713	724	931
Muenchener Rueckversicherungs-Gesellschaft AG Registered Shares	1,186	436	589
Porsche Automobil Holding SE Preferred Non-Voting	4,741	533	378
ProSiebenSat.1 Media SE	15,100	289	187
SAP SE	9,300	1,546	1,682
Schaeffler AG Preferred	29,700	354	242
Siltronic AG	900	107	91
Talanx AG	3,100	144	235
Volkswagen AG	1,100	255	243
Volkswagen AG Preferred	1,293	343	230
Vonovia SE	6,417	417	166
Total for Germany		14,443	14,376
Hong Kong (1.4%)			
AIA Group Limited	136,200	1,897	1,841
Dah Sing Financial Holdings Limited	11,600	82	38
Henderson Land Development Company Limited	30,000	166	119
HKT Trust and HKT Limited	78,000	134	120
Link Real Estate Investment Trust	22,800	253	168
MTR Corporation Limited	32,000	219	195
Power Assets Holdings Limited	29,500	226	205
Sino Land Company Limited	72,000	133	117
Sun Hung Kai Properties Limited	15,000	266	251
Swire Pacific Limited Cl. A	11,500	122	117
Swire Properties Limited	25,000	92	82
Total for Hong Kong		3,590	3,253
India (1.5%)			
HDFC Bank Limited ADR	27,104	2,026	2,503
ICICI Bank Limited ADR	32,118	486	982
Total for India		2,512	3,485
Ireland (1.3%)			
Accenture PLC Cl. A	3,840	1,427	1,570
Icon Public Limited Company	4,171	823	1,382
Total for Ireland		2,250	2,952
Isle of Man (0.4%)			
Entain PLC	41,986	692	903
Total for Isle of Man		692	903
Israel (1.2%)			
Bank Hapoalim BM	14,928	171	162
Bank Leumi Le-Israel BM	17,562	191	174
Check Point Software Technologies, Ltd.	6,560	981	1,092
CyberArk Software Ltd.	6,113	1,042	1,266
ICL Group Ltd.	14,491	192	105
Total for Israel		2,577	2,799
Italy (2.0%)			
A2A SPA	142,094	266	345
Assicurazioni Generali SPA	9,620	249	259
Buzzi SPA	7,400	171	246

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Eni SPA	28,408	531	543
Leonardo SPA	71,217	813	1,072
Mediobanca Banca di Credito Finanziario SPA	20,100	238	319
Prysmian SPA	19,121	640	1,061
Snam SPA	25,017	170	173
UniCredit SPA	10,456	286	323
Unipol Gruppo SPA	37,900	255	269
Total for Italy		3,619	4,610
Japan (16.4%)			
ADEKA Corporation	9,000	144	228
Advantest Corporation	1,577	166	280
AGC Inc.	4,900	215	234
Aisin Corporation	3,000	137	123
Alps Alpine Co., Ltd.	17,200	173	199
Bandai Namco Holdings Inc.	6,100	194	187
Brother Industries, Ltd.	5,000	105	97
Canon Inc.	5,900	187	206
Capcom Co., Ltd.	3,300	149	173
Citizen Watch Co., Ltd.	29,800	174	238
Dai Nippon Printing Co., Ltd.	4,500	129	169
Daihen Corporation	5,900	203	303
Dai-ichi Life Holdings, Inc.	7,700	208	196
Daikin Industries, Ltd.	5,360	1,395	1,449
Daiwa House Industry Co., Ltd.	6,000	247	210
Daiwa Securities Group, Inc.	27,100	190	186
DENSO Corporation	12,700	792	1,134
DTS Corporation	3,300	94	103
EDION Corporation	18,600	219	249
ENEOS Holdings, Inc.	53,100	261	241
FANUC Corporation	31,150	1,502	1,451
Fuji Corporation	9,800	177	230
Fukuoka Financial Group, Inc.	4,600	136	126
Hankyu Hanshin Holdings, Inc.	4,500	184	197
Hazama Ando Corporation	22,000	211	218
Hitachi, Ltd.	13,100	612	1,074
Honda Motor Co., Ltd.	11,100	410	444
Hosiden Corporation	17,100	223	284
Hoya Corporation	8,500	1,276	1,343
Idemitsu Kosan Co., Ltd.	4,500	137	120
INPEX Corporation	14,900	206	220
Isuzu Motors Limited	14,500	231	234
ITOCHU Corporation	12,700	377	669
Japan Petroleum Exploration Co., Ltd.	5,100	171	202
Japan Post Bank Co., Ltd.	23,900	242	248
Japan Post Holdings Co., Ltd.	32,100	320	306
Japan Post Insurance Co., Ltd.	4,300	99	86
JFE Holdings, Inc.	9,300	169	177
Kajima Corporation	7,800	130	156
Kamigumi Co., Ltd.	8,400	224	253
Kanden Co., Ltd.	14,700	175	157
Kaneka Corporation	4,200	174	156
Kanematsu Corporation	11,200	145	208
KDDI Corporation	10,900	412	446
Keyence Corporation	3,920	1,823	2,456

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$'000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Kintetsu Group Holdings Co., Ltd.	3,500	161	161
Kirin Holdings Company, Limited	11,000	233	213
Kohnan Shoji Co., Ltd.	5,100	196	165
Kumagai Gumi Co., Ltd.	6,100	205	173
Kyocera Corporation	2,800	194	202
Marubeni Corporation	28,700	283	650
McDonald's Holdings Company (Japan), Ltd.	1,800	100	93
MCJ Co., Ltd.	17,300	189	160
Megmilk Snow Brand Co., Ltd.	3,500	107	63
Meiji Holdings Co., Ltd.	4,700	180	139
Mitsubishi Corporation	3,600	129	231
Mitsubishi Gas Chemical Company, Inc.	7,000	119	135
Mitsubishi HC Capital Inc.	48,800	361	385
Mitsubishi UFJ Financial Group, Inc.	48,900	355	478
Mitsui & Co., Ltd.	11,700	538	583
Mitsui Chemicals, Inc.	7,000	242	274
Mitsui O.S.K. Lines, Ltd.	7,500	266	238
Mizuho Financial Group, Inc.	24,600	465	497
MS&AD Insurance Group Holdings, Inc.	4,100	159	194
Murata Manufacturing Co., Ltd.	9,900	969	753
Nichias Corp.	5,100	98	141
Nichiha Corporation	7,200	270	205
Nintendo Co., Ltd.	3,400	216	205
Nippon Sanso Holdings Corporation	30,900	804	890
Nippon Steel Corporation	11,100	244	309
Nippon Telegraph and Telephone Corporation	545,000	671	855
Nippon Yusen Kabushiki Kaisha	10,500	258	309
Nissin Foods Holdings Co., Ltd.	1,300	124	142
Niterra Co., Ltd.	6,900	174	182
Nomura Holdings, Inc.	33,000	179	166
Nomura Real Estate Holdings, Inc.	2,400	74	76
Obayashi Corporation	12,800	138	147
OBIC Co., Ltd.	1,000	209	212
ONO Pharmaceutical Co., Ltd.	15,000	499	360
Oracle Corporation Japan	800	63	79
ORIX Corporation	12,000	238	291
Osaka Gas Co., Ltd.	7,700	170	156
Prima Meat Packers, Ltd.	3,000	77	60
Resona Holdings, Inc.	55,600	300	353
Sankyu Inc.	3,300	173	145
Sawai Group Holdings Co., Ltd.	2,000	122	67
SECOM Co., Ltd.	4,600	428	413
Seino Holdings Co., Ltd.	13,300	238	251
Sekisui House, Ltd.	9,600	240	257
SMC Corporation	1,600	888	1,178
SoftBank Corp.	15,300	245	217
Sojitz Corporation	12,700	230	374
Square Enix Holdings Co., Ltd.	1,800	111	111
Subaru Corporation	12,400	258	311
Sumitomo Corporation	8,800	169	248
Sumitomo Forestry Co., Ltd.	8,100	174	261
Sumitomo Metal Mining Co., Ltd.	4,800	252	205
Sumitomo Mitsui Financial Group, Inc.	10,750	480	610
Sumitomo Mitsui Trust Holdings, Inc.	4,200	179	199
Sumitomo Rubber Industries, Ltd.	18,300	257	236

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$'000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Taisei Corp.	3,700	150	171
Takeda Pharmaceutical Company Limited	11,000	403	458
Teijin Limited	13,500	287	180
The Chiba Bank, Ltd.	20,200	165	162
The Yokohama Rubber Company, Limited	9,100	196	265
TIS Inc.	4,400	164	146
Tobu Railway Co., Ltd.	3,800	120	135
Tokai Rika Co., Ltd.	7,200	151	142
Tokuyama Corporation	11,000	295	241
Tokyo Electron, Ltd.	1,199	225	227
Tokyo Gas Co., Ltd.	7,400	182	214
Toppan, Inc.	5,000	113	143
Tosoh Corporation	5,800	117	91
Toyo Ink SC Holdings Co., Ltd.	6,700	162	134
Toyota Boshoku Corporation	9,600	223	228
USS Co., Ltd.	4,200	95	92
Valor Holdings Co., Ltd.	4,300	124	79
Yakult Honsha Co., Ltd.	2,700	205	227
Yamaha Motor Co., Ltd.	6,100	166	233
ZOZO, Inc.	2,700	106	74
Total for Japan		33,498	37,316
Jersey (0.2%)			
Glencore PLC	30,094	237	226
Man Group Limited	41,200	107	152
Total for Jersey		344	378
Luxembourg (1.1%)			
ArcelorMittal SA	7,302	265	263
B&M European Value Retail SA	164,321	1,505	1,543
Eurofins Scientific SE	7,115	546	599
Total for Luxembourg		2,316	2,405
Mexico (0.5%)			
Grupo Financiero Banorte, SAB de CV Cl. O	112,100	750	1,222
Total for Mexico		750	1,222
Netherlands (4.9%)			
ABN AMRO Bank NV CVA	13,500	380	278
Adyen NV	481	1,055	1,104
Aegon NV	37,100	279	249
ASML Holding NV	3,554	1,645	3,408
CNH Industrial NV	14,700	281	282
Ferrari NV	656	180	285
Heineken NV	6,286	818	857
ING Groep NV	100,460	1,521	1,797
Koninklijke Ahold Delhaize NV	21,385	662	966
Koninklijke KPN NV	61,354	285	290
NN Group NV	8,504	494	418
OCI NV	2,352	130	75
Randstad NV	3,200	273	223
Signify NV	6,900	243	256
Stellantis NV	13,829	289	323
Wolters Kluwer NV	1,871	245	315
Total for Netherlands		8,780	11,126

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$'000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
New Zealand (0.1%)			
Spark New Zealand Limited	38,717	155	160
Total for New Zealand		155	160
Norway (2.1%)			
Austevoll Seafood ASA	12,000	132	110
DNB Bank ASA	46,220	1,083	1,145
Equinor ASA	12,164	505	468
Equinor ASA ADR	27,838	762	1,077
Norsk Hydro ASA	134,072	873	1,056
Orkla ASA	30,411	349	289
Telenor ASA	16,319	301	219
Yara International ASA	7,930	508	371
Total for Norway		4,513	4,735
Portugal (0.1%)			
Sonae SGPS SA	122,900	164	160
Total for Portugal		164	160
Singapore (1.6%)			
Ascendas Real Estate Investment Trust	72,300	194	193
CapitalLand Integrated Commercial Trust	89,100	183	167
City Developments Limited	8,700	66	58
DBS Group Holdings Limited	42,700	992	1,323
Genting Singapore Limited	137,100	145	126
Jardine Cycle & Carriage Limited	8,200	256	280
Keppel Corporation Limited	27,900	172	184
Oversea-Chinese Banking Corporation Limited	22,500	254	272
Singapore Airlines Limited	24,300	136	170
Singapore Exchange Limited	17,800	168	168
Singapore Technologies Engineering Limited	30,500	109	110
United Overseas Bank Limited	17,500	446	481
UOL Group Limited	9,400	65	59
Venture Corporation, Ltd.	6,100	106	88
Total for Singapore		3,292	3,679
South Korea (0.5%)			
Samsung Electronics Co., Ltd.	14,744	853	1,077
Total for South Korea		853	1,077
Spain (3.1%)			
ACS Actividades de Construccion y Servicios SA	4,508	132	210
Amadeus IT Group, SA	23,145	1,788	2,338
Banco Santander SA	47,400	263	233
Enagas SA	5,330	158	139
Endesa SA	11,000	312	313
Iberdrola SA	16,024	267	277
Indra Sistemas SA	15,000	278	251
Industria de Diseno Textil, SA	44,289	1,814	2,279
International Consolidated Airlines Group, SA	65,400	296	179
Mapfre, SA	80,000	264	211
Repsol, SA	33,830	695	652
Total for Spain		6,267	7,082

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Sweden (1.6%)			
Atlas Copco AB Cl. A	73,568	895	1,405
Bilia AB Cl. A	16,400	255	227
Boliden AB	7,755	333	297
Industrivarden AB Cl. A	6,064	221	223
Skandinaviska Enskilda Banken AB Series A	15,400	227	226
SKF AB Series B	11,000	256	254
Swedbank AB Series A	11,300	274	253
Volvo AB Cl. B	28,500	700	783
Total for Sweden		3,161	3,668
Switzerland (10.9%)			
ABB Ltd. Registered Shares	4,471	185	233
Adecco Group AG Registered Shares	3,400	256	147
Alcon Inc.	16,910	1,412	1,861
Baloise Holding AG Registered Shares	1,885	376	367
Barry Callebaut AG Registered Shares	71	203	182
Chocoladefabriken Lindt & Spruengli AG Registered Shares	1	122	164
Chubb Limited	6,320	1,411	1,612
Coca-Cola HBC AG DI	7,921	285	313
Erms-Chemie Holding AG Registered	148	171	148
Geberit AG	358	304	248
Holcim AG	7,719	565	688
Julius Baer Group Ltd.	12,033	938	1,005
Kuehne + Nagel International AG Registered Shares	685	253	268
Nestlé SA Registered Shares	24,012	3,520	3,828
Novartis AG Registered Shares	14,976	1,664	2,002
Novartis AG Sponsored ADR	6,363	702	851
Partners Group Holding AG	1,256	1,863	1,567
Roche Holding AG Non-Voting	10,010	3,992	4,052
Schindler Holding AG Participation Certificate	5,400	1,510	1,678
SGS SA	1,875	270	235
Sika AG Registered Shares	4,100	1,116	1,554
Swiss Life Holding AG Registered Shares	283	193	219
Swiss Prime Site AG Registered Shares	1,607	196	185
Swisscom AG Registered Shares	351	242	290
UBS Group AG Registered Shares	30,500	639	822
Zurich Insurance Group AG	408	218	257
Total for Switzerland		22,606	24,776
Taiwan (1.6%)			
ASE Technology Holding Co., Ltd.	190,685	678	901
Hon Hai Precision Industry Co., Ltd.	134,480	556	649
MediaTek Inc.	23,000	800	676
Taiwan Semiconductor Manufacturing Company Limited	58,000	828	1,432
Total for Taiwan		2,862	3,658
United Kingdom (14.3%)			
3i Group PLC	27,254	503	897
Abcam PLC	57,095	1,286	1,851
Airtel Africa PLC	54,652	105	99
Anglo American PLC	9,200	382	345
Auto Trader Group PLC	18,952	191	195
Aviva PLC	25,840	245	172
BAE Systems PLC	96,552	909	1,509

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$'000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Barclays PLC	537,862	1,445	1,392
Barratt Developments PLC	11,700	128	81
Bellway PLC	2,900	111	97
BP PLC	34,616	278	269
BT Group PLC	84,300	339	174
Bunzl PLC	3,421	157	173
Burberry Group PLC	7,348	274	262
Centrica PLC	27,700	154	58
Crest Nicholson Holdings PLC	20,800	165	66
Diageo PLC	67,444	3,764	3,833
Diploma PLC	22,351	967	1,124
Direct Line Insurance Group PLC	31,600	178	72
Drax Group PLC	31,000	319	303
Evrast PLC	22,672	141	-
GSK PLC	61,527	1,955	1,440
Halfords Group PLC	18,000	100	65
Hargreaves Lansdown PLC	7,288	172	100
InterContinental Hotels Group PLC	22,455	1,809	2,054
Intertek Group PLC	23,980	2,081	1,724
J Sainsbury PLC	74,800	313	339
Kingfisher PLC	83,800	350	327
Legal & General Group PLC	50,200	223	193
Lloyds Banking Group PLC	345,000	369	253
London Stock Exchange Group PLC	15,730	2,134	2,208
Marks and Spencer Group PLC	31,200	234	101
Mitchells & Butlers PLC	52,900	283	182
Natwest Group PLC	71,943	275	293
Next PLC	2,421	222	282
OSB Group PLC	28,000	245	227
Paragon Banking Group PLC	14,900	106	134
RELX PLC	67,454	2,254	2,979
Rio Tinto PLC	2,371	207	199
Rio Tinto PLC Sponsored ADR	9,409	664	796
Shell PLC	57,526	1,899	2,281
Standard Chartered PLC	25,200	218	291
Tesco PLC	77,868	373	326
Unilever PLC	38,450	2,852	2,652
Vesuvius PLC	7,100	68	48
Vistry Group PLC	6,200	110	69
Total for United Kingdom		31,557	32,535
United States (0.6%)			
Carnival Corporation	57,251	1,379	1,428
Total for United States		1,379	1,428
Exchange Traded Funds (1.0%)			
iShares Core MSCI EAFE ETF	26,554	2,412	2,374
Total for Exchange Traded Funds		2,412	2,374
Total for Foreign Equities (94.6%)		195,501	214,986
Total for Investments (95.7%)		\$197,603	\$217,624
Cash and Other Net Assets (4.3%)			9,692
Total Net Assets Attributable to Holders of Redeemable Units (100.0%)			\$227,316

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MD International Value Fund

Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

(in \$000's)

Schedule of Derivative Instruments

FORWARD CURRENCY CONTRACTS

Contracts		Pay		Receive	Contract Rate	Due Date	Fair Value (\$)	Counterparty	Rating of the Counterparty*
1	886,515	Japanese Yen	8,481	Canadian Dollar	0.010	09/20/2023	255	Toronto-Dominion Bank	AA-
1	12,047	Pound Sterling	20,331	Canadian Dollar	1.688	09/20/2023	83	Toronto-Dominion Bank	AA-
1	1,778	U.S. Dollar	8,865	Brazilian Real	4.987	09/20/2023	64	Royal Bank of Canada	AA-
1	21,665	U.S. Dollar	29,000	Canadian Dollar	1.339	09/20/2023	334	Royal Bank of Canada	AA-
							736		
1	21,640	Canadian Dollar	2,261,945	Japanese Yen	104.524	09/20/2023	(650)	Toronto-Dominion Bank	AA-
1	13,499	Canadian Dollar	7,999	Pound Sterling	0.593	09/20/2023	(55)	Toronto-Dominion Bank	AA-
1	22,015	Canadian Dollar	16,446	U.S. Dollar	0.747	09/20/2023	(254)	Royal Bank of Canada	AA-
							(959)		
Total Forward Currency Contracts							(223)		

* Source: Standard & Poor's Credit Rating Agency

MD International Value Fund

Fund Specific Notes (unaudited)

(in \$000's)

Financial Instruments

MD International Value Fund (the "Fund") invests in a diversified portfolio of global equity securities as well as derivative contracts as shown in the Statement of Investment Portfolio. These investments expose the Fund to risks associated with financial instruments. The Fund's exposure and sensitivity to these risks are presented below. A description of the risks and how the Fund manages these risks is discussed in Note 8 of the Notes to the Financial Statements.

Credit Risk

The Fund's credit risk is concentrated in investments in preferred shares and derivative instruments. The Fund's maximum exposure to credit risk is the carrying value of preferred shares as presented on the Schedule of Investment Portfolio as well as the cash presented on the Statements of Financial Position. The Fund's maximum exposure to credit risk from derivative instruments is the carrying value of financial derivative instrument assets as presented on the Statements of Financial Position.

As at June 30, 2023 and December 31, 2022, the Fund invested in preferred shares with the following credit ratings:

Credit Rating	% of Net Assets Attributable to Holders of Redeemable Units June 30, 2023	% of Net Assets Attributable to Holders of Redeemable Units December 31, 2022
Preferred Shares		
Pfd-2	0.2%	0.1%
Pfd-3	0.1%	-
Pfd-4	-	0.1%
Unrated	0.2%	0.2%
Total	0.5%	0.4%

All credit ratings are from external credit rating agencies such as Dominion Bond Rating Service, Standard & Poor's and Moody's.

Currency Risk

Exposures to foreign currencies as at June 30, 2023 and December 31, 2022 are presented in the table below.

Currency		Cash and Other Net Assets Attributable to Holders of Redeemable Units	Investments at Fair Value	Derivative Exposure	Net Currency Exposure	% of Net Assets Attributable to Holders of Redeemable Units
June 30, 2023						
U.S. Dollar	\$	6,662	\$ 24,382	\$ (9,242)	\$ 21,802	9.6%
European Euro		573	68,038	(4)	68,607	30.2%
Australian Dollar		129	6,846	-	6,975	3.1%
Brazilian Real		-	-	2,416	2,416	1.1%
Danish Krone		70	2,484	-	2,554	1.1%
Hong Kong Dollar		136	7,110	12	7,258	3.2%
Israeli Shekel		8	442	-	450	0.2%
Japanese Yen		402	37,316	12,733	50,451	22.2%

Currency		Cash and Other Net Assets Attributable to Holders of Redeemable Units	Investments at Fair Value	Derivative Exposure	Net Currency Exposure	% of Net Assets Attributable to Holders of Redeemable Units
Mexican Peso		-	1,222	-	1,222	0.5%
New Taiwan Dollar		126	3,658	-	3,784	1.7%
New Zealand Dollar		-	160	-	160	0.1%
Norwegian Krone		83	3,658	-	3,741	1.6%
British Pound		91	28,759	(6,800)	22,050	9.7%
Singapore Dollar		9	3,679	-	3,688	1.6%
South Korean Won		5	1,077	-	1,082	0.5%
Swedish Krona		9	5,347	-	5,356	2.4%
Swiss Franc		504	22,001	-	22,505	9.9%
Total	\$	8,807	\$ 216,179	\$ (885)	\$ 224,101	98.7%

December 31, 2022

U.S. Dollar	\$	1,352	\$ 19,736	\$ (72)	\$ 21,016	9.5%
European Euro		612	66,433	(9,248)	57,797	26.1%
Australian Dollar		41	7,663	-	7,704	3.5%
Brazilian Real		-	-	2,243	2,243	1.0%
Danish Krone		42	2,459	-	2,501	1.1%
Hong Kong Dollar		25	9,910	27	9,962	4.5%
Israeli Shekel		9	1,080	-	1,089	0.5%
Japanese Yen		337	38,659	4,645	43,641	19.7%
Mexican Peso		-	1,203	2,214	3,417	1.5%
New Taiwan Dollar		6	3,478	-	3,484	1.6%
New Zealand Dollar		-	192	-	192	0.1%
Norwegian Krone		27	4,688	-	4,715	2.1%
British Pound		67	27,881	(13,296)	14,652	6.6%
Singapore Dollar		5	3,970	-	3,975	1.8%
South Korean Won		-	962	-	962	0.4%
Swedish Krona		1	5,522	-	5,523	2.5%
Swiss Franc		290	22,072	13,678	36,040	16.3%
Total	\$	2,814	\$ 215,908	\$ 191	\$ 218,913	98.8%

As at June 30, 2023, if the Canadian Dollar had strengthened against all other currencies by 10%, the Net Assets Attributable to Holders of Redeemable Units of the Fund could have decreased by approximately \$22,410 or 9.9% of Net Assets Attributable to Holders of Redeemable Units (December 31, 2022 - \$21,891 or 9.9%). Conversely, had the Canadian Dollar weakened against all other currencies by 10%, the Net Assets Attributable to Holders of Redeemable Units of the Fund could have increased by approximately \$22,410 or 9.9% of Net Assets Attributable to Holders of Redeemable Units (December 31, 2022 - \$21,891 or 9.9%). These sensitivities are estimates. Actual results may vary and the variance may be material.

Interest Rate Risk

As at June 30, 2023 and December 31, 2022, the Fund does not have any investments in debt instrument or interest-bearing assets. Therefore, the Fund is not exposed to interest rate risk.

MD International Value Fund

Fund Specific Notes (unaudited)

(in \$000's)

Liquidity Risk

The Fund's financial liabilities are all due within one year. Redeemable units are redeemable on demand at the holder's option; however, the Fund does not expect the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

Other Price Risk

As at June 30, 2023, 95.7% (December 31, 2022 - 98.3%) of the Fund's Net Assets Attributable to Holders of Redeemable Units were invested in equity financial instruments traded in active markets. If prices of securities traded on these markets decrease by 10%, with all other factors remaining constant, Net Assets Attributable to Holders of Redeemable Units could fall by approximately \$21,762 (December 31, 2022 - \$21,752). Conversely, if prices increase by 10%, Net Assets Attributable to Holders of Redeemable Units could rise by approximately \$21,762 (December 31, 2022 - \$21,752). These sensitivities are estimates. Actual results may vary and the variance may be significant.

Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category. The following table summarizes the Fund's concentration risk as a percentage of Net Assets Attributable to Holders of Redeemable Units:

Market Segment	June 30, 2023	December 31, 2022
Domestic Equities		
Consumer Discretionary	0.8%	0.8%
Industrials	0.3%	0.4%
Foreign Equities		
Australia	3.1%	3.4%
Austria	0.7%	0.8%
Belgium	0.1%	0.1%
Bermuda	0.7%	0.8%
Brazil	0.5%	0.4%
Cayman Islands	1.1%	2.0%
Chile	0.3%	0.5%
China	0.7%	0.8%
Colombia	0.4%	0.5%
Denmark	1.1%	1.1%
Finland	1.4%	1.5%
France	9.8%	11.0%
Germany	6.3%	5.9%
Hong Kong	1.4%	1.6%
India	1.5%	1.6%
Ireland	1.3%	0.5%
Isle of Man	0.4%	0.5%
Israel	1.2%	1.6%
Italy	2.0%	1.8%
Japan	16.4%	17.5%
Jersey	0.2%	0.2%
Luxembourg	1.1%	1.1%
Mexico	0.5%	0.5%
Netherlands	4.9%	4.9%
New Zealand	0.1%	0.1%
Norway	2.1%	2.7%

Market Segment	June 30, 2023	December 31, 2022
Portugal	0.1%	0.1%
Singapore	1.6%	1.8%
South Korea	0.5%	0.4%
Spain	3.1%	2.4%
Sweden	1.6%	1.7%
Switzerland	10.9%	11.1%
Taiwan	1.6%	1.6%
United Kingdom	14.3%	14.3%
United States	0.6%	0.3%
Exchange Traded Funds	1.0%	-
Cash and Other Net Assets (Liabilities)	4.3%	1.7%
Total	100.0%	100.0%

MD International Value Fund

Fund Specific Notes (unaudited)

(in \$000's)

Fair Value Hierarchy

The following is a summary of the Fund's use of quoted market prices (Level 1), internal models using observable market information as inputs (Level 2), and internal models without observable market information (Level 3) in the valuation of the Fund's securities. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	(Level 3)	Total*
June 30, 2023				
Domestic Equities	\$ 2,638	\$ -	\$ -	\$ 2,638
Foreign Equities	26,396	188,590	-	214,986
Financial Derivative Instruments – Assets	-	144	-	144
Financial Derivative Instruments – Liabilities	-	(367)	-	(367)
Total	\$ 29,034	\$ 188,367	\$ -	\$ 217,401
December 31, 2022				
Domestic Equities	\$ 2,702	\$ -	\$ -	\$ 2,702
Foreign Equities	214,815	-	-	214,815
Financial Derivative Instruments – Assets	-	438	-	438
Financial Derivative Instruments – Liabilities	-	(99)	-	(99)
Total	\$ 217,517	\$ 339	\$ -	\$ 217,856

For the period from January 1, 2023 to June 30, 2023, equity investments of approximately \$180,013 were transferred from Level 1 to Level 2. For the period from January 1, 2022 to December 31, 2022, there have been no significant transfers between Level 1 and Level 2. Transfers are primarily attributable to the valuation techniques used for foreign equity securities, as discussed in the accompanying Notes to Financial Statements.

MD International Value Fund

Fund Specific Notes (unaudited)

Redeemable Unit Transactions

for the periods ended June 30

	2023	2022
SERIES A		
Outstanding, beginning of period	1,718,677	1,992,968
Issued	36,349	48,330
Redeemed	(233,215)	(187,339)
Outstanding, end of period	1,521,811	1,853,959
SERIES D		
Outstanding, beginning of period	76,567	77,168
Issued	5,917	5,569
Redeemed	(4,644)	(7,272)
Outstanding, end of period	77,840	75,465
SERIES F		
Outstanding, beginning of period	2,712,715	2,606,692
Issued	261,130	163,883
Redeemed	(199,392)	(121,150)
Outstanding, end of period	2,774,453	2,649,425
SERIES I		
Outstanding, beginning of period	16,083,347	13,219,809
Issued	346,598	4,309,023
Redeemed	(1,198,279)	(318,200)
Outstanding, end of period	15,231,666	17,210,632

Securities on Loan

(in \$000's)	June 30, 2023	December 31, 2022
Fair value of securities loaned	\$ 5,665	\$ 3,162
Fair value of collateral (non-cash)	\$ 5,970	\$ 3,325

State Street Bank and Trust Co. is entitled to receive payments out of the gross amount generated from the securities lending transactions of the Fund and bears all operational costs directly related to securities lending as well as the cost of borrower default indemnification.

The table below sets out a reconciliation of the gross amount generated from the securities lending transactions of the Fund to the revenue from securities lending disclosed under securities lending income in the Fund's Statements of Comprehensive Income.

for the periods ended June 30 (in \$000's)	2023	2022
Gross amount generated from the securities lending transactions	\$ 56	\$ 35
Amounts paid to State Street Bank and Trust Co.	\$ (11)	\$ (7)
Net securities lending income as reported in the Statements of Comprehensive Income	\$ 45	\$ 28

Investment in Unconsolidated Structured Entities

as at June 30, 2023

Investee Fund	Fair Value (in \$000's)	Ownership % in the Investee Funds
iShares Core MSCI EAFE ETF	2,374	0.0%

As at December 31, 2022, the Fund did not have any investments in unconsolidated structured entities.

Amounts Subject to Master Netting Arrangements

(in \$000's)

In the normal course of business, the Fund enters into various enforceable master netting arrangements with its derivative counterparties.

The following tables present the Fund's financial assets and liabilities subject to enforceable master netting arrangements. The tables are presented by financial instrument type.

FINANCIAL ASSETS

	Gross Asset	Gross Liabilities Offset	Net Amounts Presented	Financial Instruments Eligible for Offset	Net
June 30, 2023					
Forward currency contracts	\$ 736	\$ 592	\$ 144	\$ -	\$ 144
Total	\$ 736	\$ 592	\$ 144	\$ -	\$ 144

December 31, 2022

Forward currency contracts	\$ 1,202	\$ 764	\$ 438	\$ -	\$ 438
Total	\$ 1,202	\$ 764	\$ 438	\$ -	\$ 438

FINANCIAL LIABILITIES

	Gross Liability	Gross Asset Offset	Net Amounts Presented	Financial Instruments Eligible for Offset	Net
June 30, 2023					
Forward currency contracts	\$ 959	\$ 592	\$ 367	\$ -	\$ 367
Total	\$ 959	\$ 592	\$ 367	\$ -	\$ 367

December 31, 2022

Forward currency contracts	\$ 863	\$ 764	\$ 99	\$ -	\$ 99
Total	\$ 863	\$ 764	\$ 99	\$ -	\$ 99

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

1. Name and formation of the Funds

ESTABLISHMENT OF THE FUNDS

The MD Family of Mutual Funds (individually a “Fund” and collectively the “Funds”) are unincorporated mutual fund trusts formed under the laws of the province of Ontario pursuant to the Declarations of Trust, and the creation dates are as follows:

	Series A	Series I	Series D	Series F2	Series F	Private Trust Units
MD Precision Canadian Balanced Growth Fund	September 9, 1992	October 30, 2009	March 19, 2018		May 10, 2017	
MD Bond Fund	April 6, 1988	October 30, 2009	March 19, 2018		May 10, 2017	
MD Short-Term Bond Fund	September 19, 1995	October 30, 2009	March 19, 2018		May 10, 2017	
MD Precision Canadian Moderate Growth Fund	September 9, 1992	October 30, 2009	March 19, 2018		May 10, 2017	
MD Equity Fund	March 1, 1966	October 30, 2009	March 19, 2018		May 10, 2017	
MD Dividend Growth Fund	January 4, 2007	October 30, 2009	March 19, 2018		May 10, 2017	
MD International Growth Fund	July 19, 2000	October 30, 2009	March 19, 2018		May 10, 2017	
MD International Value Fund	January 5, 2004	October 30, 2009	March 19, 2018		May 10, 2017	
MD Money Fund	July 12, 1983		March 19, 2018	May 24, 2017		
MD Canadian Equity Fund	October 29, 1993	October 30, 2009	March 19, 2018		May 10, 2017	
MD American Growth Fund	September 9, 1992	October 30, 2009	March 19, 2018		May 10, 2017	
MD American Value Fund	July 10, 2000	October 30, 2009	March 19, 2018		May 10, 2017	
MD Strategic Yield Fund	January 30, 2014	January 30, 2014	March 19, 2018		May 10, 2017	
MD Strategic Opportunities Fund	January 30, 2014	January 30, 2014	March 19, 2018		May 10, 2017	
MD Precision Conservative Portfolio	January 6, 2010		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Balanced Income Portfolio	March 27, 2012		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Moderate Balanced Portfolio	January 6, 2010		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Moderate Growth Portfolio	March 27, 2012		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Balanced Growth Portfolio	January 6, 2010		March 19, 2018	May 24, 2017	May 10, 2017	
MD Precision Maximum Growth Portfolio	January 6, 2010		March 19, 2018	May 24, 2017	May 10, 2017	
MD Fossil Fuel Free Bond Fund	May 11, 2016	May 11, 2016	March 19, 2018		May 10, 2017	
MD Fossil Fuel Free Equity Fund	May 11, 2016	May 11, 2016	March 19, 2018		May 10, 2017	
MD Precision Conservative Index Portfolio				January 2, 2019		
MD Precision Moderate Balanced Index Portfolio				January 2, 2019		
MD Precision Balanced Growth Index Portfolio				January 2, 2019		
MD Precision Maximum Growth Index Portfolio				January 2, 2019		

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

	Series A	Series I	Series D	Series F2	Series F	Private Trust Units
MDPIM Canadian Equity Pool	June 16, 1999					August 9, 2000
MDPIM US Equity Pool	August 6, 1999					August 9, 2000
MDPIM Emerging Markets Equity Pool	April 11, 2014	March 19, 2018	March 19, 2018		March 19, 2018	
MDPIM S&P/TSX Capped Composite Index Pool	March 20, 2017				November 21, 2017	
MDPIM S&P 500 Index Pool	March 20, 2017				November 21, 2017	
MDPIM International Equity Index Pool	March 20, 2017				November 21, 2017	

MD Growth Investments Limited ("MD Growth") is a mutual fund corporation incorporated under the laws of Ontario pursuant to the Letters Patent and the series creation dates are as follows:

	Series A	Series I	Series D	Series F
MD Growth Investments Limited	July 18, 1969	October 30, 2009	May 16, 2018	May 10, 2017

MD Financial Management Inc. ("the Manager") is the Manager and Trustee of the Funds. The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). The address of the Funds' registered office is 1870 Alta Vista, Ottawa, Ontario.

Throughout these Notes to the Financial Statements, the shares of MD Growth Investments Limited have been referred to as "units" to simplify the presentation.

The financial statements of the Funds include the Statements of Financial Position as of June 30, 2023 and December 31, 2022, as applicable, and the Statements of Comprehensive Income, the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and the Statements of Cash Flows for the periods ended June 30, 2023 and 2022, except for Funds established during either period, in which case the information provided relates to the period from creation date to June 30, 2023 or 2022. The Schedule of Investment Portfolio for each of the Funds is at June 30, 2023.

These financial statements were authorized for issue by the Manager on August 10, 2023.

SERIES OF UNITS

"Series A" units are available to all MD Management Ltd. clients who are qualified eligible investors. The MDPIM Canadian Equity Pool and MDPIM US Equity Pool "Series A" units are closed to new subscribers. Investors holding "Series A" units of MDPIM Canadian Equity Pool and MDPIM US Equity Pool are allowed to hold their units, as well as subscribe for additional "Series A" units.

"Series D" units are available to all MD Management Ltd. clients who are qualified eligible investors and who have an MD Direct Trade™ account with MD Management Ltd.

"Series F" units are available to all MD Management Ltd. clients who are qualified eligible investors and who have a fee-based account with MD Management Ltd.

"Series F2" units are available only to qualified eligible investors who open an MD ExO® Direct account with MD Management Ltd.

"Series I" units were established to support the MD Precision Conservative Portfolio, the MD Precision Moderate Balanced Portfolio, the MD Precision Balanced Growth Portfolio, the MD Precision Maximum Growth Portfolio, the MD Precision Balanced Income Portfolio and the MD Precision Moderate Growth Portfolio. These units are only available to the six Funds listed above and certain institutional investors, and are not charged management fees.

MDPIM Canadian Equity Pool and MDPIM US Equity Pool offer "Private Trust Series" and MDPIM Emerging Markets Equity Pool, MDPIM S&P/TSX Capped Composite Index Pool, MDPIM S&P 500 Index Pool and MDPIM International Equity Index Pool offer "Series A" units which may be purchased by either MD Private Investment Counsel (an operating division of MD Financial Management Inc.) or MD Private Trust Company clients who have appointed MD Private Investment Counsel to provide discretionary portfolio management services and advice to them or MD Private Trust Company to provide trust services.

2. Basis of presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB). The preparation of these financial statements in accordance with IFRS requires the use of judgment in applying accounting policies and to make estimates and assumptions concerning the future. Significant accounting judgments and estimates made by the Manager are disclosed in Note 7.

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

3. Significant accounting policies

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Canadian dollars, which is the Funds' functional currency. Cash, investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on each valuation date. Transactions during the year in currencies other than Canadian dollars are translated into Canadian dollars at the rate of exchange prevailing on the trade date of the transaction. The difference in the foreign exchange rate between trade date and settlement date of a transaction is recognized in income on the Statements of Comprehensive Income. Foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" and those relating to other financial assets and liabilities are presented within net gains or losses on the sale of investments or derivatives.

All financial information is presented in Canadian dollars and has been rounded to the nearest thousand, unless otherwise stated.

FINANCIAL INSTRUMENTS

The Funds classify and measure financial instruments in accordance with IFRS 9 "Financial Instruments" (IFRS 9). All financial assets and liabilities are recognized in the Statements of Financial Position when the Funds become 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 the risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date.

The Funds classify investments, including derivatives, as fair value through profit or loss (FVTPL). Investment classification is based on both the Funds' business model for managing those investments and their contractual cash flow characteristics. The portfolio of investments is managed and performance is evaluated on a fair value basis in accordance with the Funds' investment strategy. The Funds are primarily focused on fair value information and use that information to assess performance and to make decisions. The contractual cash flows of the Funds' debt securities are generally principal and interest, however, the collection of contractual cash flows is only incidental to achieving the Funds' business model's objective. Consequently, all investments are measured at FVTPL. Subsequent to initial recognition, investments, including derivatives, are measured at FVTPL. Gains and losses arising from changes in the fair value are included in the Statements of Comprehensive Income for the years in which they arise.

The Funds' obligation for net assets attributable to holders of redeemable units is measured at FVTPL, with fair value being the redemption amount at the reporting date.

Cash is measured at fair value upon recognition and subsequently at amortized cost.

Other financial assets and liabilities, such as accrued interest and dividends receivable, accounts receivable for investment transactions, subscriptions receivable, amounts receivable for securities lending transactions, distributions payable, accounts payable for investment transactions and redemptions payable are recognized initially at fair value, net of transaction costs, and subsequently stated at amortized cost using the effective interest rate method. Under this method, these financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contracts' effective interest rate.

NET ASSETS VERSUS NET ASSET VALUE

The Funds' accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring the net asset value (NAV) for transactions with unitholders in accordance with Part 14 of National Instruments 81-106 Investment Funds for Continuous Disclosure ("NI 81-106").

INCOME RECOGNITION

Gains and losses arising from changes in fair value of non-derivative financial assets are shown in the Statements of Comprehensive Income as "Change in unrealized appreciation (depreciation) of investments" and as "Net realized gain (loss) on sale of investments" when positions are sold.

Gains and losses arising from changes in fair value of derivatives are shown in the Statements of Comprehensive Income as "Change in unrealized appreciation (depreciation) on derivative instruments" and as Net realized gain (loss) on derivative instruments" when positions are closed out or have expired, where applicable.

The interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Funds, accounted for on an accrual basis. Dividend income and distributions to unitholders are recorded on the ex-dividend date. Distributions from underlying funds out of interest, foreign income and related withholding taxes, Canadian dividends and net realized capital gains are recognized when declared. Realized gains or losses from investment transactions and the unrealized appreciation or depreciation of investments are computed on an average cost basis, which exclude brokerage commissions and other trading expenses. Brokerage commissions and other trading expenses are charged to income as incurred.

OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when the Funds currently have a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, the Funds may enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements 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. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund Specific Notes.

Transactions with counterparties are governed by separate master netting agreements. Each agreement allows for net settlement of certain open contracts where the Fund and respective counterparty both elect to settle on a net basis. In the absence of such an election, contracts will be settled on a gross basis. However, each party to the master netting agreement will have the option to settle all open contracts on a net basis in the event of default of the other party.

NON-CASH TRANSACTIONS

Non-cash transactions on the Statements of Cash Flows include reinvested distributions from the underlying mutual funds and stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income. In addition, reclassifications between series of the same fund are also non-cash in nature and have been excluded from "Proceeds from issue of redeemable units" and "Cash paid on redemption of redeemable units" on the Statements of Cash Flows.

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments are categorized as FVTPL and are recorded at fair value. In the case of securities traded in an active market, fair value is based on quoted market prices at the close of trading on the reporting date as provided by independent pricing services. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within the day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. In the case of investments not traded in an active market, or for those securities for which the Manager feels the latest market prices are not reliable, fair value is estimated based on valuation techniques established by the Manager. Valuation techniques established by the Manager are based on observable market data except in situations where there is no relevant or reliable market data. The value of securities estimated using valuation techniques not based on observable market data, if any, is disclosed in the Financial Instruments Risks section of the financial statements.

FINANCIAL DERIVATIVES INSTRUMENTS

A derivative is a financial contract between two parties, the value of which is derived from the value of an underlying asset such as an equity, bond, commodity, interest rate or currency. Certain Funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used to protect a security price, currency exchange rate or interest rate from negative changes (hedging) or to provide exposure to securities, indices, or currencies without investing in them directly (non-hedging). Derivatives contain various risks including the potential inability for the counterparty to fulfil their obligations under the terms of the contract, the potential for illiquid markets and the potential price risk which may expose the Funds to gains and/or losses in excess of the amounts shown on the Statements of Financial Position. Derivatives with unrealized gains are reported as financial derivative instruments under current assets and derivatives with unrealized losses are reported as financial derivative instruments under current liabilities.

Forward Currency Contracts

Certain Funds may enter into forward currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities. A forward currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. Investments in forward currency contracts are entered into with approved counterparties and are recorded at fair value. The fair value of a forward currency contract fluctuates with changes in foreign currency exchange rates. The fair value of forward currency contracts is reported as financial derivative instruments in the Statements of Financial Position. Forward currency contracts are marked to market daily and the changes in fair value of forward currency contracts are recorded in "Change in unrealized appreciation (depreciation) of derivative instruments". Upon closing of the contracts, the accumulated gains or losses are reported in "Net realized gain (loss) on sale of derivative instruments". The contractual amounts of open contracts are disclosed in the Schedule of Investment Portfolio in the Schedule of Derivative Instruments.

Futures Contracts

Futures contracts are valued on each valuation day using the closing market price posted on the related public exchange. The fair value of future contracts is reported as "Financial Derivative Instruments" in the Statements of Financial Position. All gains or losses arising from futures contracts are recorded as part of "Change in unrealized appreciation (depreciation) of derivative instruments" in the Statements of Comprehensive Income until the contracts are closed out or expire, at which time the gains or losses are realized and reported as "Net realized gain (loss) on derivative instruments".

Credit Default Swaps

Certain Funds may enter into credit default swap contracts, primarily to manage and/or gain exposure to credit risk where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities. A credit default swap is an agreement between the Fund and a counterparty whereby the buyer of the contract receives credit protection and the seller of the contract guarantees the credit worthiness of a referenced debt obligation. The underlying referenced debt obligation may be a single issuer of corporate or sovereign debt, a credit index, or a tranche of a credit index. The credit risk exposure of a Fund to the referenced asset is comparable to the exposure that would have resulted if the Fund were invested directly in the referenced debt obligation. If the Funds are buyers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) receive the notional amount of the credit default swap contract from the seller in exchange for the referenced debt obligation or (ii) receive a net settlement amount equal to the notional amount of the credit default swap contract less the recovery amount of value of the referenced debt obligation. If the Funds are sellers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. The maximum credit risk to the Fund as a seller of protection is the notional amount of the contract.

Over the term of the contract, the buyer pays the seller a periodic stream of payments, provided that no event of default has occurred. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Credit Default Swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a credit default swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the credit default swap contracts are closed out, gains or losses, including upfront premiums, are realized and included in the Statements of Comprehensive Income in "Net realized gain (loss) on derivative instruments". Pursuant to the terms of the credit default swap contract, cash or securities may be required to be deposited as collateral.

Interest Rate Swaps

Certain Funds may enter into interest rate swap contracts, primarily to manage and/or gain exposure to fluctuations in interest rates. An interest rate swap is an agreement between the Fund and a counterparty whereby the parties agree to exchange a fixed payment for a floating payment that is linked to an interest rate and an agreed upon notional amount.

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

Over the term of the contract, each party will pay to the other party a periodic stream of payments. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Interest Rate Swaps are disclosed in the Schedule of Derivative Instruments. The change in value of an interest rate swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the interest rate swap contracts are closed out, gains or losses, as well as any upfront premiums, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

Total Return Swaps

Certain Funds may enter into total return swap contracts primarily to manage and/or gain exposure to the underlying reference asset. An total return swap is an agreement between the Fund and a counterparty where single or multiple cash flows are exchanged based on the price of an underlying reference asset and based on a fixed or variable rate.

Over the term of the contract, the Funds will pay to the counterparty a periodic stream of payments based on fixed or variable rate. Such periodic payments paid are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a financing rate, if any. As a receiver, the Funds would receive payments based on any net positive total return and would owe payments in the event of a net negative total return. Total return swaps are disclosed in the Schedule of Derivative Instruments. The change in value of an total return swap contract is included in the Statements of Financial Position as Financial Derivative Instruments. When the total return swap contracts are closed out, gains or losses are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

Cross Currency Swaps

Certain Funds may enter into cross currency swap contracts, primarily to manage and/or gain exposure to currency risk. A cross currency swap is an agreement between the Fund and a counterparty whereby the parties agree to exchange interest payments and principal on loans denominated in two different currencies.

Over the term of the contract, each party will pay to the other party a periodic stream of payments. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Cross currency swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a cross currency swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the cross currency swap contracts are closed out, gains or losses, as well as any upfront premiums, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

Foreign Currency Option Contracts

Certain Funds may purchase foreign currency options. Purchasing foreign currency options gives the Fund the right, but not the obligation to buy or sell the currency and will specify the amount of currency and a rate of exchange that may be exercised by a specified date. These options may be used as a hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Foreign currency option contracts are disclosed in the Schedule of Derivative Instruments. The change in value of a foreign currency option contract and any premiums paid are included in the Statements of Financial Position as Financial Derivative Instruments. When the foreign currency option contracts are closed out, gains or losses, as well as any premiums paid, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

CAPITAL RISK MANAGEMENT

Units issued and outstanding are considered to be the capital of the Funds. The Funds do not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription. The Funds' units are offered for sale on any business day and may be redeemed or issued at the Net Asset Value (NAV) per unit for the respective series on that business day. A business day refers to any day the Toronto Stock Exchange is open for business. The NAV for each series is computed daily by calculating the value of that series' proportionate share of net assets and liabilities of the Fund common to all series less liabilities attributable to that series. Expenses directly attributable to a series are charged to that series. Assets, common liabilities, revenues and other expenses are allocated proportionately to each series based upon the relative NAVs of each series. The NAV per unit is determined by dividing the NAV of each series of a Fund by the total number of units of that series outstanding.

INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the Statements of Comprehensive Income represents the increase or decrease in net assets attributable to holders of redeemable units attributable to each series of units for the year, divided by the weighted average units outstanding in that series during the year.

SECURITIES LENDING TRANSACTIONS

A Fund may lend portfolio securities to earn additional income through a securities lending agreement with its custodian. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund receives collateral in the form of securities deemed acceptable under National Instrument 81-102, "Mutual Funds" ("NI81-102") of at least 102% of the fair value of securities on loan. Collateral held is typically government and corporate bonds.

Income from securities lending is recorded as "Securities lending" on a monthly basis when it is receivable. Securities lending details are listed in Securities on Loan included in the Fund Specific Notes to the financial statements. The securities lending agent earns 20% of the gross income generated through any securities lending transactions in the Funds.

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

REDEEMABLE UNITS

Certain Funds issue different series of redeemable units, which are redeemable at the holder's option and do not have identical rights. Such units are classified as financial liabilities. Redeemable units can be put back to the Funds at any date for cash equal to a proportionate share of the Funds' net asset value attributable to the series. The redeemable units are carried at the redemption amount that is payable at the Statements of Financial Position date if the holder exercises the right to put the unit back to the Funds. Funds with only one series do not meet the criteria to be classified as equity as they impose on the Fund the obligation to deliver cash other than on redemption. Each such Fund must distribute its taxable income to unitholders annually and has provided unitholders the option to receive such distributions in cash.

INVOLVEMENT IN UNCONSOLIDATED STRUCTURED ENTITIES

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

Certain Funds' investment strategy entails trading in other funds on a regular basis. The Funds consider all of their investments in other funds ("Investee Funds") to be investments in unconsolidated structured entities. The Funds invest in Investee Funds whose objectives range from conserving principal to maximizing dividend income to long-term capital growth and whose investment strategies do not include leverage. The Investee Funds finance their operations by issuing redeemable units which are puttable at the holder's option and entitle the holder to a proportionate stake in the respective Investee Fund's net assets. The Funds hold redeemable units in each of their Investee Funds and the Funds have the right to request redemption of their investment in Investee Funds daily. The Funds' investments in Investee Funds are subject to the terms and conditions of the respective Investee Fund's offering documentation. The change in fair value of each Investee Fund is included in the Statements of Comprehensive Income in "Change in unrealized appreciation (depreciation) of investments". The Funds' maximum exposure to loss from their interest in Investee Funds is equal to the fair value of their investments in Investee Funds. Once a Fund has disposed of its shares in an Investee Fund the Fund ceases to be exposed to any risk from that investee fund.

Certain Funds invest in Exchange Traded Funds ("ETFs") which are disclosed on the Schedule of Investment Portfolio and these Funds have determined that their investments in such ETFs are deemed unconsolidated structured entities. These ETFs replicate, to the extent possible, the performance of the applicable benchmark indices, or seek to provide long-term capital growth or income, as applicable, by investing primarily in and holding the constituent securities of the applicable benchmark indices in substantially the same proportion as they are reflected in the applicable benchmark indices or seek to track the investment results of applicable benchmark indices. The ETFs finance their operations by issuing redeemable shares which are puttable at the holder's option and entitle the holder to a proportional stake in the respective ETF's net asset value. The underlying ETFs are listed on a recognized public stock exchange.

Certain Funds invest in mortgage-related and other asset-backed securities ("MBS"). These securities include mortgage pass-through securities, collateralized mortgage obligations, commercial mortgage-backed securities, asset-backed securities, collateralized debt obligations and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. The debt and equity securities issued by these securities may include tranches with varying levels of subordination. These securities may provide a monthly payment which consists of both interest and principal payments. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. Asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans. The Funds' maximum exposure to loss from their interest in MBS is equal to the fair value of their investments in such securities as disclosed on the Schedule of Investment Portfolio.

A table has been included in the Fund Specific Notes which describes the types of structured entities that the Funds do not consolidate but in which they hold an interest.

4. Expenses

MANAGEMENT FEES

Certain series of the Funds pay the Manager a management fee. The management fees cover the cost of managing the Funds, arranging for investment analysis, recommendations and investment decision making for the Funds, arranging for distribution of the Funds, marketing and promotion of the Funds and providing or arranging for others services for the Funds. The management fee is an annualized rate based on the net asset value of each series of the Funds. The management fees paid by the Funds are calculated and accrued daily and payable weekly.

No management fee is charged by the Manager of the Funds in respect of: the Private Trust Series of MDPIM Canadian Equity Pool and MDPIM US Equity Pool and Series A of MDPIM S&P/TSX Capped Composite Index Pool, MDPIM S&P 500 Index Pool, MDPIM International Equity Index Pool and MDPIM Emerging Markets Equity Pool, since investors in these units and series of units have agreed to pay a separate scaled managed account fee based on assets under management directly to MD Private Investment Counsel. No management fee is charged in respect of Series I. Management fees for Series I units are paid directly by investors.

There is no duplication of management fees between the Funds and the Underlying Funds held directly by them, if any. The Manager is entitled to an annual management fee, exclusive of sales taxes, as follows:

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MD Precision Canadian Balanced Growth Fund	1.24%	0.89%	0.29%	n/a	n/a
MD Bond Fund	0.84%	0.50%	0.04%	n/a	n/a
MD Short-Term Bond Fund	0.84%	0.45%	0.04%	n/a	n/a
MD Growth Investments Limited	1.24%	0.84%	0.29%	n/a	n/a
MD Precision Canadian Moderate Growth Fund	1.24%	0.89%	0.29%	n/a	n/a

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MD Equity Fund	1.24%	0.70%	0.29%	n/a	n/a
MD Dividend Growth Fund	1.24%	0.85%	0.29%	n/a	n/a
MD International Growth Fund	1.59%	0.87%	0.64%	n/a	n/a
MD International Value Fund	1.59%	0.87%	0.64%	n/a	n/a
MD Money Fund	0.49%	0.23%	n/a	0.04%	n/a
MD Canadian Equity Fund	1.24%	0.70%	0.29%	n/a	n/a
MD American Growth Fund	1.24%	0.72%	0.29%	n/a	n/a
MD American Value Fund	1.44%	0.72%	0.49%	n/a	n/a
MD Strategic Yield Fund*	1.39%	0.45%	0.44%	n/a	n/a
MD Strategic Opportunities Fund*	1.64%	0.46%	0.69%	n/a	n/a
MD Precision Conservative Portfolio	1.13%	0.52%	0.18%	0.18%	n/a
MD Precision Balanced Income Portfolio	1.18%	0.59%	0.23%	0.23%	n/a
MD Precision Moderate Balanced Portfolio	1.25%	0.68%	0.30%	0.30%	n/a
MD Precision Moderate Growth Portfolio	1.30%	0.72%	0.35%	0.35%	n/a
MD Precision Balanced Growth Portfolio	1.32%	0.80%	0.37%	0.37%	n/a
MD Precision Maximum Growth Portfolio	1.35%	0.81%	0.40%	0.40%	n/a
MD Fossil Fuel Free Bond Fund	0.84%	0.50%	0.04%	n/a	n/a
MD Fossil Fuel Free Equity Fund	1.24%	0.87%	0.29%	n/a	n/a
MD Precision Conservative Index Portfolio	n/a	n/a	n/a	0.06%	n/a
MD Precision Moderate Balanced Index Portfolio	n/a	n/a	n/a	0.12%	n/a
MD Precision Balanced Growth Index Portfolio	n/a	n/a	n/a	0.13%	n/a
MD Precision Maximum Growth Index Portfolio	n/a	n/a	n/a	0.14%	n/a

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MDPIM Canadian Equity Pool	1.25%	n/a	n/a	n/a	-
MDPIM US Equity Pool	1.25%	n/a	n/a	n/a	-
MDPIM Emerging Markets Equity Pool	-	1.08%	0.71%	n/a	n/a
MDPIM S&P/TSX Capped Composite Index Pool	-	n/a	0.04%	n/a	n/a
MDPIM S&P 500 Index Pool	-	n/a	0.07%	n/a	n/a
MDPIM International Equity Index Pool	-	n/a	0.19%	n/a	n/a

*The fee disclosed for Series A and Series F is the maximum management fee as disclosed in the simplified prospectus. There was a discretionary reduction in fees for these series and the Manager charged the following: MD Strategic Yield Fund Series A: 0.99% and Series F: 0.04%, MD Strategic Opportunities Fund Series A: 0.99% and Series F: 0.04%.

ADMINISTRATION FEES

The Manager pays certain operating expenses of the Funds in return for administration fees, calculated as a fixed annual percentage of the Funds' net asset value. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, audit fees, legal fees custodial fees, all expenses related to the prospectus and to meetings of unitholders, expenses related to fund accounting, fund valuation, unitholder reporting and record keeping, IRC fees and other expenses.

No administration fee is charged in respect of Series I. Administration fees for Series I units are paid directly by investors.

The administration fee are accrued daily and paid monthly. The annual rates of the administration fee, which are a percentage of the net asset value for each series of units of each Fund, are as follows:

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MD Precision Canadian Balanced Growth Fund	0.13%	0.13%	0.13%	n/a	n/a
MD Bond Fund	0.07%	0.07%	0.07%	n/a	n/a
MD Short-Term Bond Fund	0.07%	0.07%	0.07%	n/a	n/a
MD Growth Investments Limited	0.20%	0.20%	0.20%	n/a	n/a
MD Precision Canadian Moderate Growth Fund	0.13%	0.13%	0.13%	n/a	n/a
MD Equity Fund	0.15%	0.15%	0.15%	n/a	n/a
MD Dividend Growth Fund	0.15%	0.15%	0.15%	n/a	n/a
MD International Growth Fund	0.20%	0.20%	0.20%	n/a	n/a
MD International Value Fund	0.20%	0.20%	0.20%	n/a	n/a

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

Fund	Series A	Series D	Series F	Series F2	Private Trust Units
MD Money Fund	0.05%	0.05%	n/a	0.05%	n/a
MD Canadian Equity Fund	0.15%	0.15%	0.15%	n/a	n/a
MD American Growth Fund	0.15%	0.15%	0.15%	n/a	n/a
MD American Value Fund	0.15%	0.15%	0.15%	n/a	n/a
MD Strategic Yield Fund	0.10%	0.10%	0.10%	n/a	n/a
MD Strategic Opportunities Fund	0.10%	0.10%	0.10%	n/a	n/a
MD Precision Conservative Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Balanced Income Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Moderate Balanced Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Moderate Growth Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Balanced Growth Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Precision Maximum Growth Portfolio	0.13%	0.13%	0.13%	0.13%	n/a
MD Fossil Fuel Free Bond Fund	0.07%	0.07%	0.07%	n/a	n/a
MD Fossil Fuel Free Equity Fund	0.20%	0.20%	0.20%	n/a	n/a
MD Precision Conservative Index Portfolio	n/a	n/a	n/a	-	n/a
MD Precision Moderate Balanced Index Portfolio	n/a	n/a	n/a	-	n/a
MD Precision Balanced Growth Index Portfolio	n/a	n/a	n/a	-	n/a
MD Precision Maximum Growth Index Portfolio	n/a	n/a	n/a	-	n/a
MDPIM Canadian Equity Pool	-	n/a	n/a	n/a	-
MDPIM US Equity Pool	-	n/a	n/a	n/a	-
MDPIM Emerging Markets Equity Pool	-	0.20%	0.20%	n/a	n/a
MDPIM S&P/TSX Capped Composite Index Pool	-	n/a	-	n/a	n/a
MDPIM S&P 500 Index Pool	-	n/a	-	n/a	n/a
MDPIM International Equity Index Pool	-	n/a	-	n/a	n/a

5. Related Party Transactions

The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc. (which includes Scotia McLeod and Scotia iTRADE), an investment dealer.

The Manager, on behalf of the Funds, may enter into transactions or arrangements with other members of Scotiabank or certain companies that are related or connected to the Manager (each a "related party"). All transactions between the Funds and the related parties are in the normal course of business and are carried out at arm's length terms.

- The Manager earns management fees for acting as trustee and manager of the Funds, as applicable and an administration fee in return for paying certain operating expenses as detailed in Note 4. The management fee and administration fee are disclosed in separate lines in the Statements of Comprehensive Income.
- Decisions about the purchase and sale of each Fund's portfolio investments are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds by a related party to the Funds. In such cases, the related party will receive commissions from the Funds. Brokerage fees paid to related parties for the period ended June 30, 2023 and 2022 are as follows (in \$000's):

Fund	June 30, 2023	June 30, 2022
MD Precision Canadian Balanced Growth Fund	11	7
MD Precision Canadian Moderate Growth Fund	10	4
MD Equity Fund	43	46
MD Dividend Growth Fund	4	3
MD Canadian Equity Fund	33	34
MD Strategic Yield Fund	-	2
MD Strategic Opportunities Fund	1	-
MD American Growth Fund	-	3
MD American Value Fund	-	3
MDPIM Canadian Equity Pool	154	115
MDPIM Emerging Markets Equity Pool	-	2
MDPIM S&P/TSX Capped Composite Index Pool	2	-
MDPIM US Equity Pool	-	29
MD Growth Investments Limited	4	-

- The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest earned by the Funds is included in "Interest for distribution purposes" in the Statements of Comprehensive Income.

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

- The Funds may invest in investment funds managed by the Manager, which are disclosed in the Schedule of Investment Portfolio for the respective Funds.
- The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related parties, such as investments in securities of Scotiabank. Any related party securities held by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds. The Funds are also permitted to enter into derivative transactions with Scotiabank as counterparty.
- Distributions received from related party funds are included in "Income from Underlying Funds" in the Statements of Comprehensive Income.

INDEPENDENT REVIEW COMMITTEE

The Manager has established an Independent Review Committee ("IRC") as required under National Instrument 81-107, "Independent Review Committee for Investment Funds" ("81-107"). The IRC reviews conflict of interest matters related to the operations of the Funds. In addition, in some circumstances, in place of obtaining unitholder approval, a Fund may be reorganized with or its assets transferred to another mutual fund managed by the Manager or an affiliate. This requires IRC approval, and that unitholders are sent a written notice at least 60 days before the effective date. The approval of the IRC is also required for a change of auditor.

The IRC is composed of five persons who are independent of the Manager, the Funds and entities related to the Manager.

The Manager pays all IRC fees on behalf of the Funds and allocates these fees equally across each Fund. The Manager recovers these costs via the administration fee charged to the Funds. For the period ended June 30, 2023, each Fund managed by the Manager paid approximately \$1,625 in IRC Fees.

SHORT-TERM TRADING/EARLY REDEMPTION FEE

Clients who redeem or switch units or shares of an MD Fund are charged an early redemption fee equal to 2.00% of the amount redeemed or switched if the redemption or switch occurs within thirty (30) days of the date that the units or shares were purchased or switched. Redemption fees are recorded as income in the period of early redemption.

The early redemption fee does not apply to redemptions or switches:

- of units of MD Money Fund;
- made in connection with any systematic and scheduled withdrawal program;
- where the amount of the redemption or switch is less than \$10,000; or
- made as a result of the recommendation of an MD Financial Consultant or MD Portfolio Manager related to a financial plan.

6. Redeemable units

With the exception of MD Growth Investments Limited, the Funds' capital is represented by an unlimited number of authorized units without nominal or par value. All series of units are redeemable on demand by unitholders at the redemption amount represented by respective NAV of that series. Each unit entitles the unitholder to one vote at unitholder meetings and participates equally, with respect to other units of the same series, in any dividends or distributions, liquidation or other rights of that series. Distributions on units of a Fund are reinvested in additional units or at the option of the unitholder, paid in cash. The Funds' capital is managed in accordance with each of the Funds' investment objectives, policies and restrictions as outlined in the Funds' prospectus or offering documents, as applicable. The Funds have no specific restrictions or specific capital requirements on the subscription or redemption of units, other than minimum subscription requirements.

MD Growth Investments Limited is an incorporated company as opposed to a mutual fund trust and, as such, has issued share capital.

The units of each series of Funds are issued and redeemed at their net asset value per unit of each series which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The net asset value per unit is calculated by dividing the net asset value per series by the total number of outstanding units in each series. The number of units issued and redeemed are presented in the Fund Specific Notes.

7. 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. These estimates are based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

INVESTMENT ENTITIES

In accordance with IFRS 10 "Consolidated Financial Statements", the Manager has determined that the Funds meet the definition of an Investment Entity which requires the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investment in subsidiaries, if any, but instead measure these at fair value through profit or loss, as required by the accounting standard.

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

FAIR VALUE MEASUREMENT OF SECURITIES AND DERIVATIVES NOT QUOTED IN AN ACTIVE MARKET

The Funds may, from time to time, hold financial instruments that are not quoted in active markets. The fair value of such securities may be determined by the Funds using reputable pricing sources or indicative prices from market makers. Broker quotes obtained from pricing sources may be indicative but not executable or binding. Where no market data is available, the Fund may value positions using internal valuation models as determined appropriate by the Manager and based on valuation methods and techniques generally recognized as standard within the industry. Models use observable data to the extent practicable; however, the Manager may be required to make certain assumptions and/or estimates regarding risks, volatility and correlations as required. Changes in assumptions and estimates could affect the reported fair values of financial instruments. The Funds consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

In classifying and measuring financial instruments held by the Funds, the Manager is required to make judgments in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Funds' business model and considered that the Funds' investments, including derivatives, are managed and performance evaluated as a group on a fair value basis. The Manager has concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation for the Funds' investments.

8. Financial instrument risk

The Funds use financial instruments in order to achieve their respective investment objectives. The Funds' investments are presented in the respective Schedule of Investment Portfolio, which groups securities by asset type, geographic region and/or market segment.

The use of financial instruments subjects the Funds to a variety of financial instrument risks. The Funds' risk management practices include setting investment policies to limit exposures to financial instrument risks and employing experienced and professional investment advisors to invest the Funds' capital in securities within the constraints of investment policies. The Manager regularly monitors the Fund advisors' performance and compliance with the investment policies.

The significant financial instrument risks, to which the Funds are exposed, along with the specific risk management practices related to those risks, are presented below. Fund specific disclosures are presented in the "Financial Instruments Risks" section of the financial statements.

CREDIT RISK

Credit risk is the risk that a counterparty to a financial instrument will not honour its obligation under the terms of the instrument, resulting in a loss. The Funds are exposed to credit risk through domestic and foreign bonds, preferred shares, derivative contracts, cash and short-term investments, amounts due from brokers, dividends and interest receivable and other receivables. A Fund may engage in securities lending pursuant to the terms of an agreement which includes restrictions as set out in the Canadian Securities Legislation. Collateral held is in the form of highly rated fixed income instruments. All securities under lending agreements are fully collateralized.

Credit risks arising from short-term investments and fixed income securities, including domestic and foreign bonds and preferred shares, are generally limited to the fair value of the investments as shown in the Schedule of Investment Portfolio. The Funds limit exposure to individual issuers/sectors and credit quality ratings. The credit worthiness of issuers in which the Funds invest are reviewed regularly and the portfolios are adjusted as required to match the minimum requirement as set forth in each Fund's prospectus. Each individual Fund's exposure to credit risk, if any, is presented in the Financial Instruments Risk section of the Financial Statements.

Credit risks arising from cash are limited to the carrying value as shown on the Statements of Financial Position, except in the case of MD Money Fund, where the credit risk is limited to the fair value of investments as shown on the Schedule of Investment Portfolio. The Funds manage credit risk on cash and short-term investments by investing in high grade short-term notes with credit ratings of R-1 (low) or higher as well as limiting exposure to any single issuer.

Certain derivative contracts are subject to netting arrangements whereby if one party to a derivative contract defaults, all amounts with the counterparty are terminated and settled on a net basis. As such, the maximum credit loss on derivative contracts is the financial derivative instrument asset in the Statements of Financial Position. Each Fund manages credit risk on derivatives by only entering into agreements with counterparties that have an approved credit rating. Credit risk on amounts due from brokers is minimal since transactions are settled through clearinghouses where securities are only delivered for payment when cash is received.

Credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 102% of the fair value of the securities loaned. The collateral and loaned securities are marked to market each business day. The aggregate dollar value of portfolio securities lent and collateral held is presented in the Fund Specific Notes.

LIQUIDITY RISK

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. All Funds' financial liabilities come due within one year, other than those derivatives with longer maturities as disclosed in the Schedule of Investment Portfolio. To manage this liquidity requirement, the Funds invest primarily in liquid securities that can readily be sold in active markets and each Fund may borrow up to 5% of its NAV. At year end, no Fund had borrowed against its respective line of credit.

CURRENCY RISK

Currency risk is the risk that the values of financial assets and liabilities denominated in foreign currencies fluctuate due to changes in foreign exchange rates. To the extent the Funds hold assets and liabilities denominated in foreign currencies, the Funds are exposed to currency risk. The Funds may also use forward contracts at the discretion of the Manager. Each individual Fund's exposure to currency risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

INTEREST RATE RISK

Interest rate risk is the risk that the fair value (measured as the present value) of cash flows associated with interest bearing financial instruments will fluctuate due to changes in the prevailing market rates of interest. In general, as interest rates rise, the fair value of interest bearing financial instruments will fall. Financial instruments with a longer term to maturity will generally have a higher interest rate risk.

The Funds' interest-bearing financial instruments that subject the Funds to interest rate risk include domestic and foreign bonds and mortgage related and other asset back securities. The Funds' may also be exposed indirectly to interest rate risk through their position in interest rate swaps presented in the Schedule of Derivative Instruments. Short-term money market instruments are also interest bearing and therefore subject to interest rate risk. However, due to the short-term nature of the securities, the interest rate risk is generally not significant.

Interest rate risk management practices employed by the Funds include setting target durations based on the appropriate benchmark indices and monitoring the Funds' durations relative to the benchmarks. If interest rates are anticipated to rise, the Funds' durations can be shortened to limit potential losses. Conversely, if interest rates are anticipated to fall, the durations can be lengthened to increase potential gains. Each individual Fund's exposure to interest rate risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

OTHER PRICE RISK

Other price risk is the risk that the fair value of financial instruments may decline because of changes in market prices of the financial instruments, other than declines due to interest rate risk and currency risk. Other price risk stems from financial instruments' sensitivity to changes in the overall market (market risk) as well as factors specific to the individual financial instrument. Other price risk attributable to individual investments is managed through diversification of the portfolio and security selection and adjustments to fair value when there is significant volatility in international markets after markets are closed. Each individual Fund's exposure to other price risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

Details of each Fund's exposure to financial instruments risks including fair value hierarchy classification are available in the "Financial Instruments Risks" section of the financial statements of each Fund.

FINANCIAL RISKS FROM UNDERLYING MUTUAL FUNDS

Certain Funds may invest in other mutual funds. The Funds' investments in mutual funds are subject to the terms and conditions of the respective mutual fund's offering documentation and are susceptible to the risks related to the underlying mutual funds' financial instruments. The Funds' maximum exposure to loss from their interests in mutual funds is equal to the total fair value of their investment in mutual funds. Once the Funds dispose of their shares in an underlying mutual fund, the Funds cease to be exposed to any risk from that mutual fund. The exposure to underlying mutual fund investments is disclosed in the "Financial Instruments Risks" section of the financial statements of each Fund.

9. Fair value measurement

The Funds classify fair value measurements within a hierarchy that prioritizes the inputs to Funds' valuation techniques used in measuring fair value. Under these provisions, an entity is required to classify each financial instrument into one of three fair value levels as follows:

- Level 1 - for unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - for inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,
- Level 3 - for inputs that are based on unobservable market data.

The classification of a financial instrument is based on the lowest level of input that is significant to the determination of fair value.

All fair value measurements are recurring. The carrying values of cash, receivable for investment transactions, dividends and interest receivable, subscriptions receivable, payable for investment transactions, redemptions payable, distributions payable and the Fund's obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature. Fair values of securities and derivatives 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 ceases to be actively traded, it is transferred out of Level 1. In such cases, fair value is determined using observable market data (eg. transactions for similar securities of the same issuer) and the 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. Changes in valuation methods may result in transfers into or out of the assets' or liabilities' assigned levels. The level summary based on the hierarchy inputs is disclosed in the "Financial Instrument Risks" section of each Fund.

Level 3 financial instruments are reviewed by the Funds' fair valuation committee. The fair valuation committee considers the appropriateness of the valuation model inputs, as well as the valuation result, using valuation methods recognized as standard within the industry. Quantitative information about the unobservable inputs, sensitivity of the fair value measurements to changes in unobservable inputs and interrelationships between those inputs are disclosed in the Fund Specific Notes under "Fair value measurement" if significant unobservable inputs are used when valuing Level 3 financial instruments.

EQUITIES

The Funds' equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable. The Funds subscribe to the services of a third-party valuation service provider to provide fair value adjustments, when a defined threshold is met, to the prices of foreign securities due to changes in the value of securities in North American markets following the closure of the foreign markets. The parameters used to apply the fair value adjustments are based on observable market data. Where applicable, the foreign securities will be considered Level 2 priced securities.

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

BONDS AND SHORT-TERM INVESTMENTS

Debt securities generally trade in the OTC market rather than on a securities exchange. Bonds including government, corporate, convertible and municipal bonds and notes, bank loans, US and Canadian treasury obligations, sovereign issues and foreign bonds are normally valued by pricing service providers that use broker-dealer quotations, reported trades and valuations from their internal pricing models. These internal pricing models use inputs which are observable including interest rate curves, credit spreads and volatilities. The inputs that are significant to valuation are generally observable and therefore the Funds' bonds and short-term investments have been classified as Level 2, unless the determination of fair value requires significant unobservable input, in which the measurement is classified as Level 3.

INVESTMENTS IN MUTUAL FUNDS AND EXCHANGE TRADED FUNDS

The Funds' positions in the mutual funds and exchange traded funds are typically in positions that are actively traded and a reliable price is observable and as such is classified as Level 1.

FINANCIAL DERIVATIVE INSTRUMENTS

Derivatives consisting of foreign currency forward contracts, interest rate swaps, credit default swaps and foreign currency options which are valued based primarily on the contract notional amount, the difference between the contract rate and the forward market rate for the same currency, interest rate and credit spreads. These derivative financial instruments have been classified as Level 2.

Futures contracts and options that are traded on a national securities exchange are stated at the last reported sale or settlement price on the day of valuation. To the extent these financial derivative instruments are actively traded they are categorized as Level 1.

FAIR VALUATION OF INVESTMENTS (INCLUDING UNLISTED SECURITIES)

If the valuation methods described above are not appropriate, the Funds will estimate the fair value of an investment using established fair valuation procedures, such as consideration of public information, broker quotes, valuation models, discounts from market prices of similar securities or discounts applied due to restrictions on the disposition of securities, and external fair value service providers.

The extent of Funds' use of quoted market prices (Level 1), internal models using observable market information as inputs (Level 2), and internal models without observable market information (Level 3) in the valuation of securities is summarized in each Fund's "Financial Instruments Risks" section of the financial statements.

10. Income Taxes

Each of the Funds, except MD Growth, qualifies or expects to qualify as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income for the year, including net realized capital gains which are not paid or payable to its unitholders as at the end of the year. It is the intention of the Manager that all annual net investment income and sufficient net realizable taxable capital gains will be distributed to unitholders annually by December 31, such that there are no Canadian income taxes payable by the Funds. Accordingly, the Funds do not record Canadian income taxes in their financial statements.

MD Growth is a mutual fund corporation for federal income tax purposes and, accordingly, it is subject to tax at normal corporate rates applicable to mutual fund corporations on foreign dividends received and interest income, net of expenses. MD Growth is subject to a tax on taxable dividends received from taxable Canadian corporations. This tax is recorded as refundable income taxes on the Statements of Financial Position because it is refundable at a rate determined by a formula when taxable dividends are paid. MD Growth is subject to a tax on capital gains; however, this tax is refundable if sufficient capital gains are distributed to shareholders either as capital gains dividends or through the redemption of shares. The provision for income taxes in the Statements of Comprehensive Income is stated after deducting applicable refundable capital gains taxes. Income taxes are calculated using the liability method of tax accounting. Temporary differences between the carrying values of assets and liabilities for accounting and income tax purposes give rise to deferred income tax assets and liabilities. Deferred income tax liabilities or assets are calculated using substantively enacted tax rates expected to apply in the period that the temporary differences are expected to reverse.

LOSSES CARRIED FORWARD

Capital losses can be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses for income tax purposes may be carried forward up to twenty years and applied against all sources of income. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses have not been reflected in the Statements of Financial Position. As of December 31, 2022, the following Funds have capital and non-capital losses available for carry forward as presented below (in \$000's):

Fund	Year of expiry	Non-Capital Loss \$	Capital Loss \$
MD Bond Fund		-	38,969
MD Growth Investments Limited		-	244,653
MD Short-Term Bond Fund		-	33,088
MD Precision Canadian Moderate Growth Fund		-	-
MD Precision Canadian Balanced Growth Fund		-	-
MD Equity Fund		-	-
MD Dividend Growth Fund		-	26,980
MD International Growth Fund		-	21,224
MD International Value Fund		-	78,922
MD Money Fund		-	-
MD Canadian Equity Fund		-	-
MD American Growth Fund		-	113,756
MD American Value Fund		-	-
MD Strategic Yield Fund		-	17,868
MD Strategic Opportunities Fund		-	-

Notes to Financial Statements

For 6 months ended June 30, 2023 and 2022

Fund	Year of expiry	Non-Capital Loss \$	Capital Loss \$
MD Precision Conservative Portfolio		-	-
MD Precision Balanced Income Portfolio		-	-
MD Precision Moderate Balanced Portfolio		-	-
MD Precision Moderate Growth Portfolio		-	-
MD Precision Balanced Growth Portfolio		-	-
MD Precision Maximum Growth Portfolio		-	-
MD Fossil Fuel Free Bond Fund		-	2,157
MD Fossil Fuel Free Equity Fund		370	-
MD Precision Conservative Index Portfolio		-	-
MD Precision Moderate Balanced Index Portfolio		-	-
MD Precision Balanced Growth Index Portfolio		-	-
MD Precision Maximum Growth Index Portfolio		-	-
MDPIM Canadian Equity Pool		-	-
MDPIM US Equity Pool		-	-
MDPIM S&P 500 Index Pool		-	190
MDPIM International Equity Index Pool		-	5,603
MDPIM S&P/TSX Capped Composite Index Pool		-	-
MDPIM Emerging Markets Equity Pool		-	206,461

WITHHOLDING TAXES

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

11. Soft Dollar Commissions

Soft dollar commissions refers to the portion of total brokerage commissions paid to certain brokers that was available for payment to third party vendors for providing research, statistical or investment decision making services. These services assist the Manager and its sub-advisors with their investment decision making for the Funds. The soft dollar portion of the commissions paid to dealers for executing portfolio transactions is not ascertainable for the first six months of 2023 and 2022.

12. Exemption from filing

MD Precision Conservative Index Portfolio, MD Precision Moderate Balanced Index Portfolio, MD Precision Balanced Growth Index Portfolio and MD Precision Maximum Growth Index Portfolio are relying on an exemption in applicable securities regulation and do not file these financial statements with the securities regulators.



**MD Financial
Management Inc.**