BLOOM CANADA DIVIDEND FUND

2019 ANNUAL REPORT

BLM

FORWARD-LOOKING STATEMENTS

Some of the statements contained herein including, without limitation, financial and business prospects and financial outlook may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may," "will," "should," "could," "anticipate," "believe," "expect," "intend," "plan," "potential," "continue" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the forward-looking statements contained herein are based on what management believes to be reasonable assumptions, we cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof, unless otherwise indicated, and we assume no obligation to update or revise them to reflect new events or circumstances.

MANAGEMENT REPORT OF FUND PERFORMANCE

This annual management report of fund performance for Bloom Canada Dividend Fund (the "Fund") contains financial information but does not contain the audited annual financial statements of the Fund for the period from inception on January 3, 2019 to December 31, 2019. The audited annual financial statements for the period from inception on January 3, 2019 to December 31, 2019 follow this report. You may obtain a copy of any of the Fund's annual or interim reports, at no cost, by calling 1-855-BLOOM18 or by sending a request to Unitholder Information, Bloom Investment Counsel, Inc., Suite 1710, 150 York Street, Toronto, Ontario, M5H 3S5, or by visiting our website at www.bloomfunds.ca or SEDAR at www.sedar.com. Unitholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, Independent Review Committee's report, or quarterly portfolio disclosure.

In accordance with investment fund industry practice, all figures presented in this management report of fund performance, unless otherwise noted, are based on the Fund's calculation of its net asset value, which is in accordance with the terms of the Fund's declaration of trust and annual information form, and is based on closing market prices of investments. Figures presented in the financial statements and in the Financial Highlights section of this management report of fund performance are based on net assets calculated using International Financial Reporting Standards which require the use of a price between the last bid and ask prices for investment valuation, which may differ from the closing market price.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

THE FUND

Bloom Canada Dividend Fund is an open-ended mutual fund trust managed by Bloom Investment Counsel, Inc. ("Bloom" or the "Manager") created under a declaration of trust dated January 3, 2019. The Fund offers units of Series A, A6, D, F, F6 and I units, and commenced active operations on January 29, 2019. The Fundserv codes for the Series of the Fund are: Series A – BLM100; Series A6 - BLM106; Series D – BLM200; Series F – BLM300; Series F6 - BLM306; and Series I – BLM400. Bloom provides administrative services to the Fund and actively manages the Fund's portfolio. The units of the Fund are RRSP, DPSP, RRIF, RESP, RDSP and TFSA eligible.

RECENT DEVELOPMENTS

The Investment Manager's Report included below was written as of January 2, 2020 and should be read with that in mind. Since then, the international emergence and spread of the novel coronavirus causing COVID 19 have negatively impacted global stock markets and may continue to do so for some time, affecting the valuation of the Fund's investment portfolio and consequently the net asset value and net asset value per unit of the Fund. The negative effects on the Fund of this coronavirus and any other epidemics and pandemics that may arise in the future could be complex and cannot necessarily be foreseen at the present time. The Manager continues to monitor events as they unfold and has enhanced its business continuity plan to reflect the potential effects of the outbreak on employees and/or service providers, including quarantine, hospitalization, and the need to amend methods of communication, as they relate to the Manager's role as manager and portfolio adviser of the Fund.

INVESTMENT MANAGER

BLOOM
INVESTMENT COUNSEL, INC.

The Manager was established in 1985 and specializes in the management of segregated investment portfolios for wealthy individuals, foundations, corporations, institutions and trusts. In addition to its conventional investment management business, the Manager currently manages specialty high-income equity portfolios, comprised of dividend paying common equity securities, income trusts and real estate investment trusts, for four TSX listed closed end funds and for one open-ended mutual fund.

INVESTMENT MANAGER'S REPORT

January 2, 2020

The Canadian Economy

The Canadian economy shifted into a slower pace of growth in the second half of the year, with activity just below a projected 1.5%. It is estimated that growth for the third and fourth quarter will come in at 1.3% while the Bank of Canada (BoC) is calling for 1.7% growth in 2020. Meanwhile, Core Consumer Price Inflation (CPI) has been close to 2% for 21 straight months. Positive contributors to growth were easing of oil production curbs in Alberta and a rebound in housing activity, mostly in major markets, after a decline in long-term interest rates around mid-year and lessening negative impacts from government-imposed housing restrictions. Strong population growth (supported by immigration) continues to drive housing demand, but it is clear, in the major centers particularly, that constrained supply is resulting in price increases.

The rebound in housing and related debt growth are key reasons why the BoC has not had to follow the Federal reserve in the U.S. which cut rates three times in 2019. When factoring in likely fiscal stimulus, the BoC is less likely to need to cut rates if economic data in 2020 proves to be softer than expected. This is explained by the BoC's estimate that $5 billion in fiscal stimulus is equivalent to 25 basis points (bps) in rate cuts. Fiscal policy looks like it will be additive to growth by 50 bps, with a federal budget deficit that could jump to $30 billion some time in 2020-2021 from $19.8 billion recently.

While housing strengthened in the back half of the year, an opposing result was seen in auto sales that were on pace to decline 3% in 2019, dropping back below 2 million units after a positive 8-year streak that ended in 2018. Consumption has been running at a high share of Gross Domestic Product. This is likely to be less sustainable considering it has been the result of rising consumer debt and decreased savings. The fact that gains in spending and after-tax income have been muted indicates limits to

the contribution from consumption, notwithstanding job growth on track to rise 2.2% and a positive wealth effect from markets recently at record highs.

As far as ongoing monitoring of the yield curve goes, both the short overnight and 3-month T-bill rates have been near flat and at times higher than the longer 10-year and 30-year Government of Canada bonds. With the continuation of flat to inverted yield curves, the market has seemed to be at odds with the BoC's position that rate cuts are not needed. Recently, the curve has shown more signs of normalizing and the market is pricing very low odds of a rate cut by the BoC.

To summarize, consumption will likely be restrained considering there is a limit to debt accumulation, and as long as trade uncertainties persist, the export sector will have a difficult time stepping up. The current account deficit widened to $9.9 billion or over $42 billion annualized in the third quarter. Weakness in the Energy sector has been a big part of this. Actions to address the egress or pipeline problems have been insufficient, but on a positive note, the Canadian portion of Enbridge's Line 3 that went into service at the beginning of December is estimated to add 100,000 barrels per day of capacity. Government-owned Trans Mountain has stated publicly that it intended to put pipe in the ground before Christmas and Gibson Energy Inc., a stock held in the Fund, has announced a diluent recovery project that would enable more western crude "Drubit" to be shipped by rail to the U.S. Although these are minor improvements, they are very welcome and will assist the Canadian economy overall.

Canadian Investment Markets

Looking back on 2019, the month of August was a pivotal one for markets. In that month a significant decrease in bond yields occurred as a result of the U.S. Federal Reserve interest rate cut at the end of July and pessimistic views on trade tensions. However, what was being referred to as "Phase 1" of a trade deal between the U.S. and China began to be anticipated and rallies in global markets ensued. With Canada's economy being trade-oriented and quite open, our market reacts according to these events especially when considering our largest trading partner – the U.S. – is involved. Fortunately, the last four months of the year turned out to be the complete opposite and very good for the Canadian market, as prospects for a trade deal and better economic growth improved.

The Canadian market had a much better showing in relative performance to the U.S. in 2019 after having greater difficulty keeping up in most recent years. Being invested in Canadian stocks in 2019 was very rewarding and is borne out in the statistic that even the weakest sectors (excluding Healthcare) generated positive double-digit percentage returns. However, it is important to note that the low starting point at the beginning of the year did help. Above all, high income and dividend paying equities that are the focus of our investment approach performed very well supported by the continuing low interest rate environment.

Cannabis stocks have been very topical, but with Healthcare only accounting for just over 1% of the S&P/TSX Composite, not very material. During the year these stocks receded from lofty peak levels as fundamentals came back into focus. Precious Metals (in particular gold stocks) performed quite well in large part to weakening interest rates and uncertainty in the mid part of the year, although there is a dearth of high income and dividend paying equites in gold stocks.

The Energy sector as a whole had reasonably strong absolute performance in the Canadian market this year, but once again underperformed on a relative basis largely due to the Oil & Gas sub-sector. Since the beginning of the year until the latter part of the third quarter the Fund held only one Oil & Gas name which given its significant international presence we believed would perform well despite the current Canadian Oil & Gas environment. Towards the end of the third quarter the Fund exited this name and no longer has a holding in any Oil & Gas names given our belief that the negative sentiment on the sector has a greater weighting on the performance of these stocks regardless of the underlying assets. During the year the Funds Energy holdings tended to be more represented in the Infrastructure sub-sector of Energy that performed much better on a relative basis (this sub-sector was up 34.5%). Performance in the Real Estate sector was a highlight. Real Estate investment Trusts (REITs) benefited through the year from both the low and at times declining interest rate environment as well as positive developments in the Canadian real estate market. Strength was especially notable in those REITs exposed to multi-residential or apartments.

There was a noticeable shift in market sentiment in mid-August/beginning of September concerning investment style and the outperformance in value over growth and momentum stocks. This was not as observable in the months following into year end, but we think that many stocks with compelling valuations could have good upside because of this consideration. We also have noted that many stocks in both the small and mid-capitalization ranges traded down to discounted valuations in the weak fourth quarter of 2018. Stocks generally considered below large capitalization did underperform again in 2019. This is another indication that a number of these stocks may still have embedded upside potential.

The S&P/TSX Composite Total Return Index posted a gain of 22.9% for the year ended 2019. The best performing sectors for the year were Information Technology (up 64.9%), Utilities (up 37.5%) and Industrials (up 25.5%), while the worst performing sectors for the year were Healthcare (down 10.9%), Communication Services (up 13.0%) and Consumer Staples (up 14.4%).

The Canadian dollar started the year at 73 cents U.S. (C$1.36). Nearing the end of the year it had increased towards 77 cents or 4.8%. The relative strength in the Canadian dollar can be attributed mostly to tighter monetary policy in Canada against rate decreases in the U.S. Also, the WTI oil price that is strongly correlated with the Canadian dollar did not decline like it did the previous year and was up for the year.

The Fund

The most recent measure of Active Share for Bloom Canada Dividend Fund was a very high 85.6%. Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index. We believe this high Active Share gives the Fund a greater ability to take advantage of upside opportunities or protect against downside risk very distinctly in comparison to the great number of less active managers with performance that closely follows the benchmark.

Outlook

The year 2019 was a strong one for the Canadian equity market with value investing showing an acceleration in performance relative to the popular momentum investing strategy since late August. We believe this is a result of a situation where some value stocks became so oversold, and in many cases unjustifiably, that investors are now paying more attention to them due to improved earnings. Bloom leans towards value investing when making our investment decisions. While we are not deep value investors; we are patient when it comes to our buy and sale prices of target investments. We have followed this investment style for over 30 years and have chosen to invest in stocks based on bottom up fundamental analysis and not simply because they are "hot". Cineplex Inc., a stock held in the Fund, agreed to be acquired at a premium of 42% to its then market price, with the transaction expected to close in the first half of 2020. We have held Cineplex in other portfolios for some time with the belief that despite a lagging share price, an improvement in its results and further diversification of its revenue would result in an improved share price or a takeout given its attractive valuation, as has proved to be the case. Cineplex is a good example of our firm's long term value with yield strategy being eventually recognized and rewarded. We are hopeful for other portfolio positions to be likewise recognized, and the sooner the better! Heading into the new year we believe that higher yielding, income-oriented equities will continue to be a good approach for the Fund, further aided by a continued low interest rate environment.

RESULTS OF OPERATIONS

Distributions

For the period from inception on January 3, 2019 to December 31, 2019 the Fund declared distributions of $0.1229147 per Series A unit, $0.1749873 per Series D unit , $0.1824132 per Series F unit, $0.55 per Series F6 unit, and $0.2189177 per Series I unit.

The 2019 Series F6 distribution reflects a monthly rate per unit of $0.05, in accordance with the targeted distribution rate of 6% per annum on the initial net asset value per unit of $10 per unit as disclosed in the Fund's Prospectus, and may comprise income, capital gains and/or return of capital. The other Series' 2019 distributions are from income.

Increase in Net Assets from Operations

The Fund's investment income was $310,633 for the period from inception on January 3, 2019 to December 31, 2019, arising from average portfolio investments during the period of $2.6 million. Income was comprised primarily of $227,855 unrealized appreciation in value of investments and $109,384 dividend and distribution income.

Expenses were $219,631 for the period, of which the Manager absorbed $162,102. The major components of expenses before absorptions were other administrative expenses of $104,403 and unitholder reporting costs of $36,143.

Net Asset Value

The Fund issued units for proceeds of $3.91 million during the period from inception on January 3, 2019 to December 31, 2019, which had grown to net assets of $4.13 million as at December 31, 2019, primarily due to dividend income and appreciation in value of investments offset by expenses.

Investment Portfolio

The investment objectives of the Fund are to provide holders of units with: investment in an actively managed portfolio comprised primarily of Canadian equity securities; cash distributions that have a large component of Canadian eligible dividends; and the opportunity for capital appreciation. The Fund has established a portfolio comprised primarily of Canadian equities, income trusts and real estate investment trusts (REITs), each of which was selected to achieve the investment objectives of the Fund.

The Fund had net unrealized appreciation of $227,855 in its portfolio as at December 31, 2019, with significant unrealized gains in the Consumer Discretionary, Consumer Staples, Energy Infrastructure, Oil & Gas Distribution, Financials, Real Estate and Utilities sectors offset by unrealized losses in the Oil & Gas Equipment Services and Industrials sectors. On an individual investment level, the Fund's investments in Altus Group Limited (Real Estate), Boralex Inc. (Utilities) and Parkland Fuel Corporation (Oil & Gas Distribution) led the unrealized gains, whilst the investment in Shawcor Limited was responsible for the unrealized losses in the Oil & Gas Equipment Services sector.

Portfolio Sectors

Sector		Value (thousands)	% of Total
Industrials	$	575	13.9%
Financials		567	13.8%
Consumer Discretionary		555	13.4%
Cash and cash equivalents		500	12.1%
Real Estate		469	11.4%
Energy Infrastructure		445	10.8%
Utilities		302	7.3%
Materials		192	4.7%
Consumer Staples		173	4.2%
Oil & Gas Distribution		148	3.6%
Oil & Gas Equipment Services		100	2.4%
Health Care		98	2.4%
Total	**$**	**4,124**	**100.0%**

RELATED PARTY TRANSACTIONS

Related party transactions consist of administrative and investment management services provided by the Manager pursuant to the Fund's Declaration of Trust, Fund expenses paid by the Manager and recharged to the Fund, and Fund expenses payable by the Fund but absorbed by the Manager.

Administration and Investment Management Fees

Pursuant to the Fund's Declaration of Trust, the Manager provides investment management and administrative services to the Fund, for which it is paid an annual management fee. During the period ended December 31, 2019, management fees amounted to $7,140.

Series D, F and F6 of the Fund pay a management fee of 0.95% per annum of the net asset value of the Series, calculated daily and payable monthly in arrears, plus applicable taxes. Series A and A6 pay a management fee aggregating to 1.95% per annum of the net asset value of the Series, including a service fee of 1.00% to be paid by the Manager to registered dealers, calculated daily and payable monthly in arrears, plus applicable taxes. Management fees charged on Series I units of the Fund are negotiated between Series I unitholders and the Manager and are not paid by the Fund.

Services received by the Fund in consideration of the management fee, as an approximate percentage of the management fee, comprise portfolio advisory services (70%) and administrative services (30%). Administrative services include: appointment and monitoring of service providers; administration related to the payment of fund expenses and the deposit of fund receipts; administrative services provided to the Independent Review Committee ("IRC"); review and filing of tax returns; preparation,

dissemination and filing of annual and interim reports; preparation and filing of annual renewal prospectus, annual information form and fund facts; maintenance of proxy voting records and the voting of proxies; preparation of quarterly portfolio summaries; regulatory reporting; and maintenance of the information on the Fund's website. Absorbed expenses are not paid out of the management fees of the Fund but are paid out of the Manager's own reserves.

Other Expenses Recharged to the Fund and Absorbed by the Manager
The Fund pays for all other ordinary expenses incurred in connection with the operation and administration of the Fund, including: all costs of portfolio transactions, fees payable to third party services providers, custodial fees, legal, accounting, audit and valuation fees and expenses, expenses of the members of the IRC, expenses related to compliance with National Instrument ("NI") 81-107, fees and expenses relating to the voting of proxies by a third party, costs of reporting to unitholders, registrar, transfer and distribution agency costs, printing and mailing costs, administrative expenses and costs incurred in connection with the continuous public filing requirements, taxes, brokerage commissions, costs and expenses relating to the issue of units of the Fund, costs and expenses of preparing financial and other reports, costs and expenses arising as a result of complying with all applicable laws, regulations and policies, extraordinary expenses that the Fund may incur and all amounts paid on account of indebtedness.

On an ongoing basis the Manager pays on behalf of the Fund, and subsequently recharges to the Fund, certain of these expenses of the Fund. For the period ended December 31, 2019 the Fund expensed operating expenses of $8,859 and IRC fees of $9,444, which were paid and recharged by the Manager.

The Manager has chosen to absorb certain of the expenses of the Fund in order to maintain a lower management expense ratio. During the period ended December 31, 2019 the Manager paid $162,102 of expenses on the Fund's behalf which were not recharged to the Fund.

INDEPENDENT REVIEW COMMITTEE

Prior to the Fund's launch, the IRC for the Fund was established pursuant to NI 81-107 and became operational. The IRC provides independent oversight regarding actual and perceived conflicts of interest involving the Fund and performs all other functions required of an independent review committee under NI 81-107. Costs and expenses, including the remuneration of IRC members, the costs of legal and other advisors to, and legal and other services for, IRC members, and insurance costs are chargeable to the Fund. As at December 31, 2019 the IRC consisted of three members, all of whom are independent of the Manager.

The Manager has received one standing instruction from the IRC in respect of the Fund with respect to related party transactions:

Allocation of Fund Expenses and Charging Expenses of Related Entities to the Funds
The standing instruction requires that the Manager follow its policy regarding the charging of expenses of related parties to the Fund, which will, in the IRC's opinion, result in a fair and reasonable result for the Fund. The Manager reports any instances of reliance on the standing instruction to the IRC and the IRC reviews the transactions to confirm compliance with the standing instruction. The Manager relies on the standing instruction on an ongoing basis in charging to the Fund expenses which are payable by the Fund as per the Fund's Declaration of Trust and Annual Information Form, but which have been paid by the Manager. These expense charges are measured on an accrual basis at the monetary value of the expenses incurred.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the fiscal periods indicated. *The information in the following tables is presented in accordance with NI 81-106 and, as a result, does not act as a continuity of opening and closing net assets per unit, because the increase in net assets from operations is based on weighted average units outstanding during the period, and all other numbers are based on actual units outstanding at the relevant point in time.*

Net Assets Per Unit[1]

	Period ended December 31, 2019[2]				
	Series A	Series D	Series F	Series F6	Series I
Net assets per unit, beginning of period [2]	$10.00	$10.00	$10.00	$10.00	$10.00
Increase from operations: [2]					
Total revenue	0.34	0.37	0.34	0.33	0.36
Total expenses	(0.20)	(0.17)	(0.14)	(0.16)	(0.13)
Net realized gains (losses)	(0.14)	(0.16)	(0.14)	(0.13)	(0.13)
Net unrealized gains (losses)	0.70	0.66	0.62	0.54	0.59
Total increase in net assets from operations	$0.70	$0.70	$0.68	$0.58	$0.69
Distributions to unitholders [2][3]					
From return of capital	-	-	-	(0.37)	-
From net investment income	(0.12)	(0.17)	(0.18)	(0.18)	(0.22)
Total distributions to unitholders	$(0.12)	$(0.17)	$(0.18)	$(0.55)	$(0.22)
Net assets per unit, end of period [2]	$10.39	$10.41	$10.42	$10.03	$10.47

[1] This information is derived from the Fund's financial statements, to which International Financial Reporting Standards apply.

[2] For the period from inception of the Series (Series A: March 5, 2019; Series D: January 28, 2019; Series F: February 25, 2019; Series F6: February 25, 2019; Series I: January 28, 2019) to December 31, 2019

[3] Net assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time. The increase in net assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.

[4] Distributions were paid in cash or reinvested in additional units of the Series, or both.

Ratios and Supplemental Data

	Period ended December 31, 2019[1]				
	Series A	**Series D**	**Series F**	**Series F6**	**Series I**
Net asset value[2]	$252,976	$411,623	$219,198	$10,031	$3,239,870
Number of units outstanding [2]	24,343	39,556	21,039	1,000	309,563
Management expense ratio ("MER") [3][6]	2.46%	1.82%	1.68%	1.94%	1.41%
MER before waivers or absorptions [3][6]	8.86%	7.34%	7.08%	6.91%	6.00%
Trading expense ratio [4][6]	0.2%	0.2%	0.2%	0.2%	0.2%
Portfolio turnover rate [5]	2.5%	2.5%	2.5%	2.5%	2.5%
Net asset value per Unit [2]	$10.39	$10.41	$10.42	$10.03	$10.47

[1] For the period from inception of the Series (Series A: March 5, 2019;Series D: January 28, 2019; Series F: February 25, 2019; Series F6: February 25, 2019; Series I: January 28, 2019) to December 31, 2019

[2] As at December 31 of the year shown

[3] MER is based on the requirements of NI 81-106 and includes the total expenses (excluding commissions and other portfolio transaction costs) of the Fund for the period. Total expenses are expressed as an annualized percentage of the average net asset value during the period.

[4] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the average Net Asset Value of the Fund during the period.

[5] The Fund's portfolio turnover rate indicates how actively the Manager manages the Fund's portfolio investments (i.e. how often the Fund's portfolio investments are bought and sold). A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, excluding cash and short-term investments maturing in less than one year, by the average market value of investments during the period.

[6] Annualized.

SUMMARY OF INVESTMENT PORTFOLIO

As at December 31, 2019

Total Net Assets (including Cash, Short Term Investments and Other Net Assets)	$4,133,698

Portfolio Composition	% of Portfolio	% of Total Net Assets
Industrials	13.9%	13.9%
Financials	13.8%	13.7%
Consumer Discretionary	13.4%	13.4%
Cash and cash equivalents	12.1%	12.1%
Real Estate	11.4%	11.4%
Energy Infrastructure	10.8%	10.8%
Utilities	7.3%	7.3%
Materials	4.7%	4.6%
Consumer Staples	4.2%	4.2%
Oil & Gas Distribution	3.6%	3.6%
Oil & Gas Equipment Services	2.4%	2.4%
Health Care	2.4%	2.4%
Total Investment Portfolio	100.0%	98.8%
Other Non-Debt Net Assets (Liabilities)		0.2%
Total Net Assets		100.0%

Top 25 Holdings	% of Portfolio	% of Total Net Assets
Cash and cash equivalents	12.1%	12.1%
Chemtrade Logistics Income Fund	4.7%	4.6%
Transcontinental Inc. Class A	4.5%	4.5%
Enbridge Inc.	4.4%	4.4%
Keyera Corp.	4.3%	4.3%
Premium Brands Holdings Corporation	4.2%	4.2%
Intertape Polymer Group Inc.	4.1%	4.1%
Ag Growth International Inc.	4.1%	4.0%
Altus Group Limited	4.1%	4.0%
Park Lawn Corporation	3.8%	3.8%
Northland Power Inc.	3.8%	3.8%
Parkland Fuel Corporation	3.6%	3.6%
Superior Plus Corp.	3.5%	3.5%
Boralex Inc.	3.5%	3.5%
Manulife Financial Corporation	3.4%	3.4%
Sun Life Financial Inc.	3.3%	3.3%
Cineplex Inc.	3.2%	3.2%
Automotive Properties Real Estate Income Trust	3.0%	2.9%
TD Bank Group	2.7%	2.6%
Fiera Capital Corporation	2.6%	2.6%
H&R Real Estate Income Trust	2.6%	2.6%
Shawcor Ltd.	2.4%	2.4%
Extendicare Inc.	2.4%	2.4%
Gibson Energy Inc.	2.1%	2.1%
Wajax Corporation	2.1%	2.1%

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available on the Fund's website at www.bloomfunds.ca within 60 days of each quarter end.

MANAGEMENT RESPONSIBILITY STATEMENT

The accompanying financial statements of Bloom Canada Dividend Fund (the "Fund") have been prepared by Bloom Investment Counsel, Inc. (the "Manager" of the Fund) and approved by the Board of Directors of the Manager. The Manager is responsible for the information and representations contained in these financial statements and the other sections of the annual report.

The Manager maintains appropriate procedures to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies applicable to the Fund are described in note 3 to the financial statements.

The Board of Directors of the Manager is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements.

The Manager, with the approval of its Board of Directors, has appointed the external firm of PricewaterhouseCoopers LLP, Chartered Professional Accountants as the auditor of the Fund. They have audited the financial statements of the Fund in accordance with Canadian generally accepted auditing standards to enable them to express to unitholders their opinion on the financial statements. The auditor has had full and unrestricted access to the Board of Directors to discuss their findings.

Signed

M. Paul Bloom
President and Chief Executive Officer
Bloom Investment Counsel, Inc.

Signed

Fiona E. Mitra
Chief Financial Officer
Bloom Investment Counsel, Inc.

March 10 , 2020

INDEPENDENT AUDITOR'S REPORT

To the Unitholders and Trustee of Bloom Canada Dividend Fund (the Fund)

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2019 and its financial performance and its cash flows for the period from January 3, 2019 (inception date) to December 31, 2019 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at December 31, 2019;
- the statement of comprehensive income for the period from January 3, 2019 (inception date) to December 31, 2019;
- the statement of changes in net assets attributable to holders of redeemable units for the period from January 3, 2019 (inception date) to December 31, 2019;
- the statement of cash flows for the period from January 3, 2019 (inception date) to December 31, 2019; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance and the information, other than the financial statements and our auditor's report thereon, included in the 2019 Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
March 10, 2020

STATEMENT OF FINANCIAL POSITION

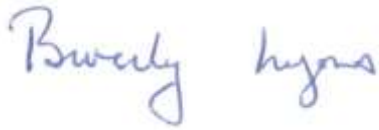
As at		December 31, 2019
Assets		
Current assets		
Investments at fair value		3,623,790
Cash and cash equivalents	$	500,071
Dividends and distributions receivable		11,349
Total assets		4,135,210
Liabilities		
Current liabilities		
Management fees payable (note 10)		962
Distributions payable		550
Total Liabilities		1,512
Net assets attributable to holders of redeemable units (note 6)	$	4,133,698
Net assets attributable to holders of redeemable units per series		
Series A	$	252,976
Series D		411,623
Series F		219,198
Series F6		10,031
Series I		3,239,870
	$	4,133,698
Number of redeemable units outstanding (note 6)		
Series A		24,343
Series D		39,556
Series F		21,039
Series F6		1,000
Series I		309,563
Net assets attributable to holders of redeemable units per unit		
Series A	$	10.39
Series D		10.41
Series F		10.42
Series F6		10.03
Series I		10.47

Approved on the behalf of Bloom Canada Dividend Fund by the Board of Directors of Bloom Investment Counsel, Inc., the Manager and Trustee of the Fund

Signed

M. Paul Bloom
Director

Signed



Beverly Lyons
Director

The accompanying notes are an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME

For the period from inception on January 3, 2019 to December 31, 2019

Income		
Dividends and distributions	$	109,384
Interest for distribution purpose		21,680
Net change in unrealized appreciation in value of investments		227,855
Net realized loss on sale of investments		(48,285)
Net gain on investments		310,634
Expenses (note 9)		
Unitholder reporting costs		36,143
Audit fees		30,511
Independent review committee fees		27,665
Management fees (note 10)		7,140
Custody fees		6,971
Portfolio transaction costs (note 11)		6,798
Other administrative expenses		104,403
Total expenses		219,631
Expenses absorbed by Manager (note 10)		(162,102)
Expenses after absorption		57,529
Increase in net assets attributable to holders of redeemable units	$	253,105
Increase in net assets attributable to holders of redeemable units per series		
Series A	$	8,832
Series D		22,677
Series F		11,145
Series F6		581
Series I		209,870
	$	253,105
Increase in net assets attributable to holders of redeemable units per unit (note 3 (k))		
Series A	$	0.70
Series D		0.70
Series F		0.68
Series F6		0.58
Series I		0.69

The accompanying notes are an integral part of these financial statements

STATEMENT OF CHANGES IN NET ASSSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period from inception on January 3, 2019 to December 31, 2019

	Net assets attributable to holders of redeemable units, beginning of period	Redeemable units issued for purchases and conversions[1]	Redemptions and conversions of redeemable units[1]	Distributions to holders of redeemable units	Reinvestment of distributions	Increase in net assets from operations attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
Series A	$ -	$ 269,600	$ (25,114)	$ (1,968)	$ 1,626	$ 8,832	$ 252,976
Series D	-	389,813		(6,857)	5,990	22,677	411,623
Series F	-	208,179		(3,391)	3,265	11,145	219,198
Series F6	-	10,000		(550)	-	581	10,031
Series I	-	3,030,000		(66,931)	66,931	209,870	3,239,870
	$ -	$ 3,907,592	$ (25,114)	$ (79,697)	$ 77,812	$ 253,105	$ 4,133,698

[1]Total proceeds from redeemable units relating to conversions and redemptions of redeemable units relating to conversions for the period ended December 31, 2019 were $15,179 and $(15,179), respectively.

The accompanying notes are an integral part of these financial statements

STATEMENT OF CASH FLOWS

For the period from inception on January 3, 2019 to December 31, 2019

Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units	$	253,150
Adjustments for:		
Net change in unrealized appreciation in value of investments		(227,855)
Net realized loss on sale of investments		48,285
Increase in dividends and distributions receivable		(11,349)
Increase in management fees payable		962
Operating cash flows:		
Proceeds from sale of investments		70,440
Purchases of investments		(3,514,660)
Net cash used in operating activities		(3,381,072)
Cash flows from (used in) financing activities		
Proceeds from redeemable units issued		3,892,413
Redemption of redeemable units		(9,935)
Distributions to holders of redeemable units		(1,335)
Net cash from financing activities		3,881,143
Increase in cash and cash equivalents		500,071
Cash and cash equivalents, beginning of period		-
Cash and cash equivalents, end of period	$	500,071
Supplemental information		
Interest received	$	21,680
Dividends and distributions received		98,035

The accompanying notes are an integral part of these financial statements

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2019			Cost		Fair Value
No. of Units/ Shares					
	Canadian Equities				
	Consumer Discretionary				
3,900	Cineplex Inc.	$	110,565	$	132,015
5,400	Park Lawn Corporation		136,148		158,166
10,800	Stingray Group Inc. Class 'A'		67,770		77,112
11,800	Transcontinental Inc. Class 'A'		211,752		187,266
			526,235		**554,559**
	Consumer Staples				
1,900	Premium Brands Holdings Corporation		142,981		172,824
			142,981		**172,824**
	Energy Infrastructure				
3,500	Enbridge Inc.		164,279		180,705
3,300	Gibson Energy Inc.		75,075		87,747
5,200	Keyera Corp.		168,393		176,904
			407,747		**445,356**
	Financials				
1,000	Bank of Nova Scotia		75,455		73,350
9,300	Fiera Capital Corporation		111,404		108,903
5,300	Manulife Financial Corporation		110,002		139,708
2,300	Sun Life Financial Inc.		109,503		136,183
1,500	TD Bank Group		112,186		109,245
			518,550		**567,389**
	Health Care				
11,600	Extendicare Inc.		99,748		97,904
			99,748		**97,904**
	Industrials				
3,600	Ag Growth International Inc.		188,003		167,184
300	Andlauer Healthcare Group Inc.		4,500		6,015
10,200	Intertape Polymer Group Inc.		187,973		169,524
11,500	Superior Plus Corp.		132,153		144,440
5,900	Wajax Corporation		109,386		87,320
			622,015		**574,483**
	Materials				
17,400	Chemtrade Logistics Income Fund		174,809		191,922
			174,809		**191,922**
	Oil & Gas Distribution				
3,100	Parkland Fuel Corporation		111,383		147,901
			111,383		**147,901**
	Oil & Gas Equipment Services				
8,000	ShawCor Ltd.		156,202		100,240
			156,202		**100,420**
	Real Estate				
10,000	Automotive Properties Real Estate Investment Trust		101,443		121,500
4,400	Altus Group Limited		108,416		167,024
5,000	H&R Real Estate Investment Trust		108,987		105,500
5,400	Choice Properties Real Estate Investment Trust		75,919		75,114
			394,765		**469,138**
	Utilities				
5,900	Boralex Inc.		110,861		144,314
5,800	Northland Power Inc.		137,142		157,760
			248,003		**302,074**
	Total Canadian equities	$	**3,402,438**	**$**	**3,623,790**
	Embedded broker commissions		**(6,503)**		
	Total investments	$	**3,395,935**	**$**	**3,623,790**

NOTES TO FINANCIAL STATEMENTS

For the period from inception on January 3, 2019 to December 31, 2019

1. FUND ORGANIZATION AND NATURE OF OPERATIONS

Bloom Canada Dividend Fund (the "Fund") is an open-ended mutual fund trust created under the laws of the Province of Ontario by a declaration of trust dated January 3, 2019, (the "Declaration of Trust"). The Fund commenced active operations on January 29, 2019. The registered address of the Fund is 150 York Street, Suite 1710, Toronto, Ontario M5H 3S5, Canada.

The investment objectives of the Fund are to provide unitholders with an investment in an actively managed portfolio comprised primarily of Canadian equity securities and to provide unitholders with cash distributions that have a large component of Canadian eligible dividends as well as the opportunity for capital appreciation. The Fund's investment portfolio comprises primarily dividend paying Canadian securities listed on the Toronto stock Exchange ("TSX") such as common equity securities, income trusts and real estate investment trusts ("REITs"), focusing on undervalued investments.

Bloom Investment Counsel, Inc. (the "Trustee" and "Manager"), a corporation incorporated under the laws of the Province of Ontario, is the trustee for the Fund and also acts as the manager of the Fund. The Trustee/Manager is responsible for managing the ongoing business and administrative affairs of the Fund as well as providing investment management services in accordance with the Fund's investment objectives. SGGG Fund Services Inc. (the "Administrator") has been appointed as the administrator of the Fund and CIBC Mellon Trust Company (the "Custodian") has been appointed as the custodian of the Fund.

These financial statements were authorized for issue by the Manager on March 10, 2020.

2. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit and loss. The preparation of financial statements in conformity with IFRS requires management to exercise its judgment in the process of applying the Fund's significant accounting policies. Actual results could differ from those estimates.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Financial instruments

The Fund's financial instruments include, where applicable, investments, cash and cash equivalents, dividends and distributions receivable, receivable for investments sold, payable for investments purchased, distributions payable to unitholders, accrued liabilities, and redemptions payable.

The Fund recognizes, classifies and measures financial instruments in accordance with IFRS 9. IFRS 9 requires financial instruments to be recognized initially at their fair value and then classified as subsequently as measured at amortized cost, measured at fair value with changes in fair value taken through other comprehensive income or measured at fair value with changes in fair value recognized in profit and loss ("FVTPL") based on the Fund's business model for managing financial assets in accordance with the Fund's documented investment strategy and the contractual cash flow characteristics of the financial assets. Assessment and decision on the business model approach used is an accounting judgment.

The Fund recognizes financial instruments at fair value, plus transaction costs in the case of financial instruments measured at amortized cost, upon initial recognition. Purchases and sales of financial instruments are recognized on their respective trade dates.

The Fund's investments are measured at FVTPL. All other financial instruments are measured at amortized cost (which is the amount to be received or paid, discounted where appropriate at the contract's effective interest rate). Amortization and changes in fair value are recognized in the Statements of Comprehensive Income.

b) 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

NOTES TO FINANCIAL STATEMENTS

For the period from inception on January 3, 2019 to December 31, 2019 (continued)

market participants at the measurement date.

The fair value of financial assets traded in active markets (which includes the Fund's investments) is based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for investment valuation where that price falls between the latest bid and ask prices. 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.

The Fund classifies fair value measurements within a hierarchy as described in note 13. The Fund recognizes transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

c) Impairment of financial assets at amortized cost

At each reporting date, the Fund assesses whether there is objective evidence that a financial asset at amortized cost is impaired. If such evidence exists, the Fund recognizes an impairment loss as the difference between the amortized cost of the financial asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

d) Derecognition of financial instruments

The Fund derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the asset are transferred, or in which these risks and rewards are neither transferred nor retained but the Fund does not retain control of the asset. On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is included in the Statements of Comprehensive Income. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or expire.

e) Offsetting

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position only when the Fund has a legal right to offset the amounts and it intends to either settle on a net basis or realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, e.g. for gains and losses arising from a group of similar transactions, such as realized gains and losses on investments.

f) Cash and cash equivalents

Cash and cash equivalents consist of deposits with financial institutions and short-term debt instruments with maturities of less than five months from the date of acquisition that are highly liquid, readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

g) Portfolio transaction costs

Commissions and other portfolio transaction costs are expensed and are included in "Portfolio transaction costs" in the Statement of Comprehensive Income. Portfolio transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

h) Investment transactions and revenue recognition

Investment transactions are recorded on the trade date. Dividend and distribution income are recognized when the right to receive payment is established, which is generally on the ex-dividend or ex-distribution date. Interest for distribution purposes shown in the Statement of Comprehensive Income represents coupon interest received by the Fund and is recognized on a time-proportionate basis. Interest income includes interest from cash and cash equivalents. Realized and unrealized gains and losses from investment transactions are calculated on an average cost basis.

NOTES TO FINANCIAL STATEMENTS

For the period from inception on January 3, 2019 to December 31, 2019 (continued)

i) Allocation of income, expenses, gains and losses between Series

The income, expenses, gains and losses of the Fund are allocated between the Series of the Fund on the basis of the Series' relative net asset values.

j) Foreign exchange

The functional and presentation currency of the Fund is the Canadian dollar. Amounts received by the Fund on an offering of its units and amounts payable on redemption are received or paid in Canadian dollars. Any currency other than the Canadian dollar represents foreign currency to the Fund. Purchases and sales of investments in foreign currencies are translated into the Fund's functional currency using the exchange rate prevailing on the trade date. Income on foreign investments is translated at the prevailing exchange rate on the transaction date. The quoted fair value of investments and other assets and liabilities denominated in foreign currencies is translated at the period-end exchange rate.

k) Increase in net assets attributable to holders of redeemable units from operations per unit

Increase in net assets attributable to holders of redeemable units from operations per unit for each series of redeemable units represents the increase in net assets attributable to holders of redeemable units from operations for each series of units for the period divided by the weighted average number of redeemable units of the series outstanding during the period.

l) Distributions

Income earned by the Fund which is attributable to Series A, D, F and I is distributed to holders of units of those series on a monthly basis. Income and net realized capital gains (reduced by loss carryforwards, if any) earned by the Fund which is attributable to Series A6 and F6 is distributed to holders of units of those series through a regular monthly distribution. Any excess income and net realized capital gains not so distributed during the year are distributed in December of each year to unitholders. Any excess of regular monthly distributions over actual income and net realized capital gains is characterized as a return of capital. Any distributable net realized capital gains in a year may be allocated for tax purposes to redeeming unitholders in that year, as permitted by the Fund's declaration of trust.

m) Classification of obligation to holders of redeemable units

The Manager is required by IAS 32, Financial Instruments: Presentation (IAS 32) to assess whether the obligation to holders of redeemable units represents a liability of the Fund or equity of the Fund. The Fund has multiple obligations, being those under the redemption option, to deliver cash or other financial instruments to the unitholders. Units of the various series of the Fund do not have identical features. As a result, the obligation to unitholders is classified as a liability.

n) Net assets attributable to holders of redeemable units per unit

The net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units of a particular series of redeemable units by the total number of redeemable units of that particular series outstanding at the end of the period.

4. TAXATION

The Fund expects to qualify as a mutual fund trust under the provisions of the Income Tax Act (Canada), and accordingly, is not subject to tax on its net taxable income for the tax year which ends in December, including net realized capital gains, which is paid or payable to its unitholders as at the end of the tax year. No provision for income taxes has been recorded in the accompanying financial statements as the Fund has determined that it is in substance not taxable since all net income and net realized capital gains for the year are distributed to the unitholders to the extent necessary to reduce income taxes payable to nil.

Since the Fund does not record income taxes, the tax assets or liabilities related to capital and non-capital losses and other temporary differences have not been reflected in the Statement of Financial Position.

Non-capital losses are available to be carried forward for twenty years and applied against future taxable income. As at December 31, 2019 the Fund has no non-capital losses carried forward. Capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains. As at December 31, 2019 the Fund has $42,902 capital losses carried forward.

NOTES TO FINANCIAL STATEMENTS

For the period from inception on January 3, 2019 to December 31, 2019 (continued)

5. CASH AND CASH EQUIVALENTS

The Fund's cash and cash equivalents as at December 31, 2019 comprised the following:

	December 31, 2019
Cash	201,932
Cash equivalents	298,139
	500,071

Cash equivalents at December 31, 2019 comprised:

Type	Issuer	DBRS, credit rating of issuer	Par Value $	Maturity Date	Coupon	Fair value $
Banker's acceptance	TD Bank Group	AA/R- 1/Stable	300,000	April 29, 2020	1.86%	298,139

6. REDEEMABLE UNITS

The Fund is divided into units of participation which may be issued in one or more classes and series as determined by the Manager from time to time. The Fund has created one Class and is offering six Series of units: Series A units, Series A6 units, Series D units, Series F units, Series F6 units and Series I units. The Fund is authorized to issue an unlimited number of Units of each Series.

Each Unit of a Series is entitled to participate equally in distributions on Units of that Series made by the Fund (other than any net realized capital gains which may be allocated to a redeeming unitholder) and on liquidation. No unit in a Fund has any preference or priority over another unit of the same Series of the Fund. At any meeting of unitholders, each unitholder shall be entitled to one vote for each whole unit registered in the unitholder's name. On the termination of the Fund, the assets of the Fund will be distributed and all Units in the Fund will share in the value of the Fund. Units cannot be transferred except in limited circumstances and there is no liability for further calls or assessments.

The units of any Series of a Fund may be sub-divided or consolidated by the Manager. A unitholder may, at any time, request that their units of the Fund be converted for units of another Series of the Fund, unless the Manager in its sole discretion determines otherwise. On receipt of the conversion request, the unitholder's Series units shall be converted to units of another Series, provided the said unitholder is qualified to hold units of that other Series. Conversions between Series of the Fund do not result in dispositions for income tax purposes. The Manager has the right to refuse any request to convert units.

Series A units and Series A6 units are available to investors who do not have fee-based accounts with their dealers. A sales charge of up to 5% of the total amount to be invested is payable by the investor to the dealer.

Series D units are available to investors who have accounts with a discount brokerage. For Series D units, no sales commission is paid to the broker or dealer, but fees may be paid directly to the broker or dealer by the investor for order execution and other services.

Series F units and Series F6 units are available to investors who have fee-based accounts with their dealers or other investors approved by the Manager. For Series F units and Series F6 units, no sales commission is paid to the broker or dealer, but fees may be paid directly to the dealer by the investor for investment advice received from the dealer, order execution and other services.

Series I Units are special purpose units available to institutional investors and other investors at the Manager's discretion. Series I units are not sold to the general public. No management fees are charged to the Fund in respect of the Series I units, but each Series I investor negotiates its own management fee which is paid directly to the Manager. The Manager must approve any conversion to or from Series I units.

NOTES TO FINANCIAL STATEMENTS

For the period from inception on January 3, 2019 to December 31, 2019 (continued)

Units of the Fund are offered on a continuous basis at the Series net asset value ("NAV") per Unit. If the Manager receives the units' purchase order before 4 p.m. on a day on which the NAV is calculated (a "Valuation Date"), and it is in good order, it will be processed based on the Series NAV calculated on that Valuation Date. If the purchase order is received after that time, or not on a Valuation Date, and it is in good order, it will be processed based on the Series NAV calculation on the next Valuation Date.

The unit activity during the period from inception on January 3, 2019 to December 31, 2019 was as follows:

	Redeemable units, beginning of period	Redeemable units issued re purchases and conversions	Redeemable units cancelled re redemptions and conversions	Reinvestment of distributions	Redeemable units, end of period
Series A	-	26,681	(2,498)	160	24,343
Series D	-	38,966	-	590	39,556
Series F	-	20,718	-	321	21,039
Series F6	-	1,000	-	-	1,000
Series I	-	303,000	-	6,563	309,563

There has been no unit activity for Series A6 during the period from inception on January 3, 2019 to December 31, 2019.

Redemption of units

Units may be surrendered at any time for redemption on a Valuation Date, subject to the Manager's right to suspend redemptions in certain circumstances. If the Manager receives a redemption order before 4 p.m. on a Valuation Date, and it is in good order, it will be processed based on the Series NAV calculated on that Valuation Date. All units that have been surrendered in good order for redemption prior to 4:00 p.m. on a Valuation Date will be deemed to be outstanding until (but not after) the close of business on that Valuation Date.

If the Manager receives a redemption order after 4 p.m. on a Valuation Date, or not on a Valuation Date, and it is in good order, it will be processed based on the Series NAV calculation on the next Valuation Date.

Under extraordinary circumstances, the Fund may suspend the unitholders' right to request a redemption of Units for all or part of a period. Such extraordinary circumstances include, for instance, when i) normal trading is suspended on a stock, options or futures exchange in Canada or outside Canada in which securities or derivatives that make up more than 50% of the value or underlying exposure of the Fund's total assets are traded, and those securities or derivatives are not traded on any other exchange that represents a reasonable alternative for the Fund, or ii) with the consent of the Ontario Securities Commission. The Fund may postpone a redemption payment for any period during which the unitholder's right to request a redemption is suspended under the circumstances described above or with the approval of the Canadian securities regulators. The Fund may not accept orders for the purchase of Units during any period when the redemption of its Units has been suspended.

The Fund may charge a short-term trading fee of up to 2% of the NAV of the units redeemed or converted within 90 days of the purchase or conversion of units, as applicable. The short-term trading fee shall be paid directly to the Fund out of the redemption proceeds, reducing the amount otherwise payable to unitholder on the redemption or the number of units the unitholder may receive on conversion. Each additional conversion is regarded as a new purchase for the purposes of determining whether the Fund will charge a short-term trading fee. The Manager may waive this penalty at any time.

7. DISTRIBUTIONS

The Fund distributes income monthly as it arises and capital gains annually for Series A units, Series D units, Series F units and Series I units. Series A6 units and Series F6 units shall distribute a fixed distribution, initially 6% per annum of the initial NAV per unit of Series A6 or Series F6, or $0.05 per unit per month. Distributions received by investors in Series A6 units and Series F6 units may comprise income, capital gains, and/or return of capital. In addition to the distributions described above, the Fund may from time to time pay additional distributions on its units, including without restriction in connection with a special distribution or in connection with returns of capital. Distributions are automatically reinvested in additional units of the Fund unless the unitholder elects to receive the distributions in cash.

NOTES TO FINANCIAL STATEMENTS

For the period from inception on January 3, 2019 to December 31, 2019 (continued)

8. CAPITAL MANAGEMENT

For operating purposes, units issued and outstanding are considered to be the capital of the Fund. As at December 31, 2019 the Fund's capital therefore comprised net assets attributable to holders of redeemable units of $4,133,698. The Fund's objectives in managing its capital are to provide holders of Series A6 and F6 units with monthly cash distributions and to provide all unitholders the opportunity to participate in gains in the value of the investment portfolio, payable as a proportionate share based on the Fund's NAV per unit on redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The relevant movements are shown on the Statements of Changes in Net Assets Attributable to Holders of redeemable Units. In accordance with its investment objectives and strategy, and the risk management practices outlined in note 12, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

9. EXPENSES

Management fees and other reasonable expense incurred in the operation of the Fund are charged as expenses in the Statement of Comprehensive Income of the Fund, and include expenses paid by the Manager on behalf of the Fund and subsequently recharged to the Fund and expenses absorbed by the Manager as described in note 10.

The Fund pays all of its operating expenses, including all audit and legal costs and expenses; custodian, registrar and transfer agency fees; costs attributable to the issue, redemption and conversion of units including the preparation and filing of the simplified prospectus, annual information form and fund facts; expenses incurred in preparing financial statements and management reports of fund performance; expenses incurred in respect of distributing the simplified prospectus, fund facts, financial reports and other materials required to be provided to unitholders; fund accounting and valuation costs; interest or other borrowing expenses; all reasonable costs and expenses incurred in relation to compliance with local regulations; compensation and expenses payable to the independent review committee ("IRC") members and any independent counsel or other advisors employed by the IRC, insurance premiums for members of the IRC, the costs of the orientation and continuing education of IRC members and the costs and expenses associated with IRC meetings; taxes of all kinds to which the Fund is or might be subject; expenses incurred in connection with portfolio transactions; and costs associated with compliance with any governmental or regulatory requirement.

The Fund's expenses are allocated on a fair and reasonable basis, usually proportionately among the Series of units offered. The Fund's expenses that are specific to a Series are allocated to that Series. Certain Fund expenses are subject to applicable taxes.

The costs of formation and initial organization of the Fund, and of the preparation and filing of any of the preliminary prospectus, preliminary annual information form, preliminary fund facts documents, initial prospectus, annual information form and fund facts documents of the Fund were paid by the Manager.

10. RELATED PARTY TRANSACTIONS

Management fees

In accordance with the Declaration of Trust, the Manager is entitled to an annual management fee for each Series of the Fund, except as indicated below for Series I Units. The management fee is calculated as a percentage of the daily NAV of the Series, calculated daily and payable monthly in arrears, plus applicable taxes.

The management fee for each Series of the Fund is as follows:

Series A	1.95%
Series A6	1.95%
Series D	0.95%
Series F	0.95%
Series F6	0.95%

The management fee for Series A and A6 includes a service fee of 1% to be paid by the Manager to registered dealers, calculated

NOTES TO FINANCIAL STATEMENTS

For the period from inception on January 3, 2019 to December 31, 2019 (continued)

daily and payable quarterly in arrears, plus applicable taxes. The Fund does not pay a management fee in respect of Series I Units because Series I investors negotiate and pay a separate fee directly to the Manager.

For the period from inception on January 3, 2019 to December 31, 2019, the Fund expensed management fees of $7,140. As at December 31, 2019 the Fund had management fees payable of $962.

Expenses recharged to the Fund

On an ongoing basis, the Manager may pay on behalf of the Fund, and subsequently recharge to the Fund, certain expenses of the Fund. For the period from inception on January 3, 2019 to December 31, 2019, the Manager paid and recharged to the Fund IRC fees of $9,444, unitholder reporting costs of $41 and other administrative expenses of $8,769.

Expense waivers and absorptions

The Manager may from time to time waive fees or absorb fund expenses, or defer payment of such fees or expenses. In the event of any deferral of any such fees or expenses, the Manager may, subject to necessary unitholder or regulatory approvals, seek repayment of any deferred amounts at a later date. In addition, the Manager may from time to time cap the operating expenses borne by a particular Series of units. In such a case, if the operating expenses properly allocated to such Series exceed the cap, the Manager shall absorb the difference. The Manager reserves the right to modify or discontinue any such cap on operating expenses at any time without prior notice to, or approval of, the unitholders of the Fund.

During the period from inception on January 3, 2019, to December 31, 2019, the Manager has absorbed $162,102 of the Fund's expenses.

Units held by the Manager and its affiliates

Units held by the Manager and its affiliates represented 3,952 of the Series D units outstanding and 309,563 of the Series I units outstanding as at December 31, 2019.

11. PORTFOLIO TRANSACTION COSTS

During the period from inception on January 3, 2019 to December 31, 2019 the Fund paid $6,798 in brokerage commissions and other portfolio transaction costs. There are no soft dollar commissions.

12. RISK ASSOCIATED WTH FINANCIAL INSTRUMENTS

Management of financial instrument risks

In the normal course of business, the Fund is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The value of investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, the market, and company news related to specific portfolio securities. The level of risk depends on the Fund's investment objectives and the types of securities it invests in.

Risk management

The Fund invests mainly in dividend paying Canadian securities listed on the TSX such as equity securities, income trusts and REITs. Asset allocation is determined by the Manager who manages the distribution of the assets to achieve the investment objectives. The composition of the portfolio is monitored by the Manager. There can be no assurance that the investment objectives of the Fund will be achieved.

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed by the Fund are discussed below.

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The main concentration of credit risk would be where the Fund invests in debt instruments and derivatives. The risk of default on transactions with counterparties and brokers related to the purchase and sale of securities is considered minimal.

NOTES TO FINANCIAL STATEMENTS
For the period from inception on January 3, 2019 to December 31, 2019 (continued)

As at December 31, 2019, the Fund did not have significant investments in debt instruments and derivatives.

Liquidity risk
Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price.

The Fund's exposure to liquidity risk is concentrated in the periodic cash redemption of units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed of. In addition, the Fund generally retains sufficient cash and cash equivalent positions to maintain liquidity.

As at December 31, 2019, the Fund did not have significant financial liabilities (other than the redeemable units) with maturities greater than 3 months.

Interest rate risk
The Fund's interest-bearing financial assets and financial liabilities expose it to risks associated with effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

As at December 31, 2019, the Fund has limited interest rate risk due to the short term nature of its investment in short-term debt instruments, which have maturities of less than five months.

Other price risk
Market price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

All investments represent a risk of loss of capital. The Manager aims to moderate this risk through careful selection and diversification of securities and other financial instruments in accordance with the Fund's investment objectives and strategy. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Fund's overall market positions are monitored on a regular basis by the Manager. Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments.

At December 31, 2019, had the market prices of the Fund's investments increased or decreased by 10% with all other variables held constant, the increase or decrease respectively in net assets attributable to holders of redeemable units would amount to approximately $362,379.

Currency risk
The Fund may hold investments whose shares and/or dividends are denominated in currencies other than Canadian dollars. These would result in currency risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As at December 31, 2019, the Fund has no financial assets (including investments, dividends and distributions receivable and receivable for investments sold) or financial liabilities (including payable for investments purchased) that are denominated in foreign currencies.

Concentration risk
Concentration risk arises as a result of the concentration of exposures within the same category, an example of which would be investments in the same industry or investments by geography. Please refer to the Schedule of Investment Portfolio for the Fund's concentration of investments.

13. FAIR VALUE HIERARCHY

The Fund classifies fair value measurements within a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three

NOTES TO FINANCIAL STATEMENTS

For the period from inception on January 3, 2019 to December 31, 2019 (continued)

levels of the fair value hierarchy are:

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

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3 Inputs are unobservable. The determination of fair value requires significant management judgment or estimation.

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The following fair value hierarchy table presents information about the Fund's financial instruments measured at fair value as at December 31, 2019:

	Level 1	Level 2	Level 3	Total
Assets				
Equities	$ 3,623,790	$ -	$ -	$ 3,623,790
	$ 3,623,790	$ -	$ -	$ 3,623,790

There were no transfers between the levels during the period from inception on January 3, 2019 to December 31, 2019.

CORPORATE INFORMATION

Independent Review Committee

Anthony P. L. Lloyd (Chair), BSc (Hons), MBA, ICD.D

Lea M. Hill, BCom, FCSI

Cameron Goodnough, BCom, LLB, MBA

Directors and Officers of Bloom Investment Counsel, Inc.

M. Paul Bloom, BA (Hons)
Director, President and Secretary, Portfolio Manager

Adina Bloom Somer, BA (Hons), MBA, CIM
Director and Vice President, Portfolio Manager

Beverly Lyons, BCom**,** FCPA, FCA, ICD.D
Independent Director

Fiona E. Mitra, BA (Hons), CPA**,** CA
Chief Financial Officer

Todd Graham, BA (Hons), MBA, CFA, CFP
Vice President, Portfolio Manager

Trustee

Bloom Investment Counsel, Inc.

Custodian

CIBC Mellon Trust Company

Auditor

PricewaterhouseCoopers LLP, Chartered Professional Accountants

Website

www.bloomfunds.ca

Mailing Address
Suite 1710, 150 York Street
Toronto, ON M5H 3S5

Unitholder Information: 416-861-9941
Toll Free: 1-855-BLOOM18 (1-855-256-6618)
Website: www.bloomfunds.ca