
TDB SPLIT CORP.**SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE****MAY 31, 2021**

This is the semi-annual Management Report of Fund Performance (MRFP) for the period ended May 31, 2021. This MRFP contains financial highlights but does not contain the complete financial statements of the Company. The semi-annual financial statements and accompanying notes are attached to this report.

Investors may also obtain a copy of the Company's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure by visiting our website at www.tdbsplit.com or by writing to the Company at Investor Relations, 200 Front Street West, Suite 2510, Toronto, Ontario M5V 3K2.

These reports are available to view and download at www.tdbsplit.com or www.sedar.com.

INVESTMENT OBJECTIVES AND STRATEGIES

TDb Split Corp. invests primarily in common shares of the Toronto-Dominion Bank ("TD Bank").

The Company offers two types of shares:

Priority Equity shares (XTD.PR.A)

The investment objectives with respect to the Priority Equity shares are as follows:

1. to provide holders of Priority Equity shares with cumulative preferential monthly cash dividends in the amount of \$0.04375 per share to yield 5.25% annually; and
2. on or about the termination date of December 1, 2024 (subject to further 5 year extensions thereafter), to pay an amount of \$10.00 per Priority Equity share.

Class A shares (XTD)

The investment objectives with respect to the Class A shares are as follows:

1. to provide holders of Class A shares with regular monthly cash dividends in the amount of \$0.05 per Class A share when the net asset value per unit exceeds \$12.50; and
2. to permit such holders to participate in all growth in the net asset value of the Company above \$10.00 per unit.

RISK

The risks of investing in the Company remain as discussed in the Annual Information Form dated February 23, 2021. In addition, note 5 of the financial statements ("Management of Risk of Financial Instruments") contains disclosure on specific types of risks related to the financial investments held by the Company.

RESULTS OF OPERATIONS

North American equity markets continued to advance during the period ended May 31, 2021, driven by multiple catalysts including the implementation of mass vaccination campaigns, record fiscal and monetary stimulus programs and progress in the opening of the economies.

The acceleration of the mass vaccination programs during the period resulted in lower COVID-19 infection rates, allowing market participants to anticipate a broader economic recovery and a return to a more normalized living and economic environment sooner than previously expected. The Canadian government continued to support this recovery through record actual and planned spending, including support payments to large parts of the population and businesses. The Bank of Canada remained committed to a very accommodative monetary policy signaling that they were prepared to keep interest rates at or near historic low rates until at least well through 2022. The consumer price index in Canada experienced a sharp year over year increase near the end of the period which the Bank of Canada characterized as transitory. The increase in inflation triggered an increase in longer term interest rates and a steeper interest rate yield curve which improved the outlook for net interest margins for the Canadian banks. In addition, commodity price increases during the period, including a sharp rise in the price of oil, provided a very favourable backdrop for the Canadian equity markets.

As a result of these catalysts, the market price of TD Bank appreciated by 25% during the period.

The Company's Priority Equity Portfolio Protection which was implemented in March 2020 due to a significant decline in the share price of TD Bank was unwound in February 2021.

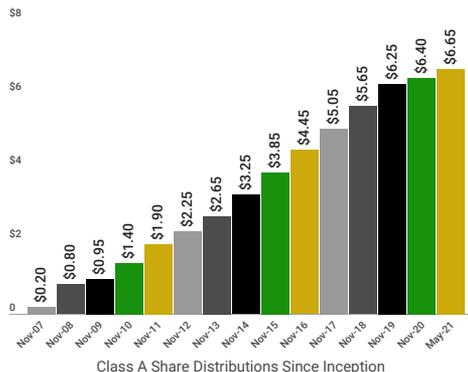
The net assets per unit (consisting of one Priority Equity share and one Class A share) finished at \$14.43 as at May 31, 2021, after the payment of \$0.51 in combined distributions to Priority Equity shares and Class A shares. A combined total of \$13.90 has been paid in distributions since inception.

Net assets of the Company finished the period at \$85.8 million.

The dividend income from the common shares of TD Bank is supplemented by income received from a selective covered call writing program.

Class A shares - Distributions

Class A shareholders are entitled to receive monthly cash dividends targeted to be \$0.05 per Class A Share to yield 6% per annum on the original issue price, if and when the net asset value per unit exceeds \$12.50. Total distributions during the period amounted to \$0.25 per Class A share.

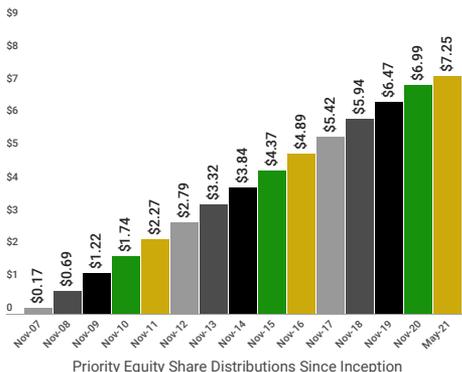


6.65

Cumulative total of distributions paid to Class A share since inception

Priority Equity shares - Distributions

Priority Equity shareholders are entitled to receive monthly cash dividends in the amount of \$0.04375 per Priority Equity Share to yield 5.25% per annum on the \$10.00 repayment amount. Distributions during the period were at the fixed rate for a total of \$0.2625 per Priority Equity share.



7.25

Cumulative total of distributions paid to Priority Equity share since inception

RECENT DEVELOPMENTS

Financial markets and equity markets in particular have experienced significant volatility in response to the COVID-19 pandemic. The investment portfolio of the Company has been subject to these market fluctuations and may continue to experience significant volatility as the situation evolves.

RELATED PARTY TRANSACTIONS

Quadravest Capital Management Inc. ("Quadravest") as investment manager and manager earns fees from the Company as described below in the Management Fees section.

FINANCIAL HIGHLIGHTS

The following tables show selected financial information about the Company and are intended to help you understand the Company's financial performance for the past five years. This information is derived from the Company's semi-annual financial statements and previous audited annual financial statements. The information in the following table is presented in accordance with National Instrument ("NI") 81-106 and, as a result, does not act as a continuity of opening and closing net assets per unit.

The Company's net assets per unit

	May 31, 2021	Years ended November 30				
		2020	2019	2018	2017	2016
Net assets per unit, beginning of the period ⁽¹⁾	12.10	15.84	15.93	16.55	15.27	13.88
Increase (decrease) from operations						
Total revenue	0.23	0.34	0.59	0.56	0.51	0.53
Total expenses	(0.08)	(0.15)	(0.20)	(0.21)	(0.20)	(0.17)
Realized gains (losses) for the period	(0.09)	(0.40)	0.49	0.37	0.64	0.33
Unrealized gains (losses) for the period	<u>2.63</u>	<u>(2.71)</u>	<u>0.15</u>	<u>(0.21)</u>	<u>1.45</u>	<u>1.82</u>
Total increase (decrease) from operations ⁽²⁾	<u>2.69</u>	<u>(2.92)</u>	<u>1.03</u>	<u>0.51</u>	<u>2.40</u>	<u>2.51</u>
Distributions ⁽³⁾						
Canadian dividends	<u>(0.51)</u>	<u>(0.68)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>
Total distributions	<u>(0.51)</u>	<u>(0.68)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>
Net assets per unit at end of period	14.43	12.10	15.84	15.93	16.55	15.27
Net assets per Priority Equity share	10.00	10.00	10.00	10.00	10.00	10.00
Net assets per Class A share	<u>4.43</u>	<u>2.10</u>	<u>5.84</u>	<u>5.93</u>	<u>6.55</u>	<u>5.27</u>
Net assets per unit at end of period	14.43	12.10	15.84	15.93	16.55	15.27

- (1) Net assets per unit is the difference between the aggregate amount of the Company's assets and the aggregate amount of its liabilities, excluding Priority Equity shares and net assets attributable to holders of redeemable Class A shares, at the valuation date, divided by the number of units then outstanding.
- (2) Total increase (decrease) from operations is before the payment of Class A shares and Priority Equity shares and other income (charges) related to the Priority Equity shares and is calculated based on the weighted average number of units outstanding during the period.
- (3) Distributions on the Priority Equity shares and Class A shares are based on the number of Priority Equity shares and Class A shares outstanding on the record date for each distribution in the period and were paid in cash. Characterization of distributions is based on the tax treatment that is received by investors.

RATIOS AND SUPPLEMENTAL DATA

	May 31, 2021	Γ 2020	Years ended November 30			Γ 2016
			2019	2018	2017	
Net asset value (millions) ⁽¹⁾	\$85.8	\$60.0	\$53.6	\$54.0	\$56.1	\$51.8
Number of units outstanding	5,941,760	4,954,760	3,386,660	3,386,660	3,392,260	3,392,260
Base Management expense ratio ⁽²⁾	1.21%	1.11%	1.25%	1.27%	1.24%	1.18%
Management expense ratio including secondary offering issue costs ⁽³⁾	2.20%	3.44%	1.25%	1.27%	1.24%	1.18%
Management expense ratio per Class A share ⁽⁴⁾	23.61%	40.60%	12.49%	11.22%	12.62%	17.03%
Portfolio turnover rate ⁽⁵⁾	4.85%	108.2%	0.0%	0.0%	9.8%	3.9%
Trading expense ratio ⁽⁶⁾	0.05%	0.08%	0.02%	0.01%	0.02%	0.02%
Closing market price (TSX): Priority Equity shares	\$10.17	\$10.03	\$10.18	\$10.00	\$10.30	\$10.20
Closing market price (TSX): Class A shares	\$5.10	\$3.00	\$6.29	\$6.18	\$6.45	\$5.50

(1) This information is provided as at May 31 or November 30.

(2) A separate base management expense ratio has been presented to reflect the normal operating expenses of the Company excluding any one time offering expenses. Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of average net asset value during the period.

(3) Share issue expenses, representing all agents' fees and other offering expenses are one time initial expenses connected with the launch of the Company or any subsequent secondary offering. Any expenses incurred with secondary offerings were offset by the accretion to net asset value per unit of such offerings.

(4) Management expense ratio for Class A shares is based on the requirements of NI 81-106. This instrument requires that all split share companies produce an expense ratio which allocates all operating expenses of the Company, all distributions on Priority Equity shares and all issuance costs to the Class A shares and expresses this as an annualized percentage of net assets applicable only to the Class A shares during the period. The management expense ratio per Class A share should not be interpreted as the required return necessary for the Company or the Class A shares to cover the operating expenses of the Company. This calculation is based only on a portion of the Company's assets whereas the Company utilizes its entire assets to generate investment returns. Management believes that the base management expense ratio per unit disclosed in the table above is the most representative ratio in assessing the ongoing efficiency of the administration of the Company, making comparisons to the expense ratios of single unit mutual funds or determining the minimum investment returns necessary by the Company to achieve growth in net asset value per unit.

(5) The Company's portfolio turnover rate indicates how actively Quadravest manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to the Company buying and selling all of the securities in its portfolio once in the course of the period. The Company employs a covered call writing strategy which can cause the portfolio turnover rate to be higher than conventional mutual funds. The higher the Company's portfolio turnover rate in a period, the greater the trading costs payable by the Company in the period and the greater chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of the Company.

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

MANAGEMENT FEES

Pursuant to the terms of the investment management agreement, Quadravest is entitled to a base management fee payable in arrears at an annual rate equal to 0.55% of the net asset value of the Company, which includes the outstanding Priority Equity shares, calculated as at each month-end valuation date.

Pursuant to the management agreement, Quadravest is entitled to an administration fee payable monthly in arrears at an annual rate equal to 0.1% of the net asset value of the Company, which includes the outstanding Priority Equity shares, calculated as at each month-end valuation date and an amount equal to the service fee payable to dealers on the Class A shares at a rate of 0.50% per annum. No service fee will be paid in any calendar quarter if regular dividends are not paid to holders of Class A shares in respect of each month in such calendar quarter.

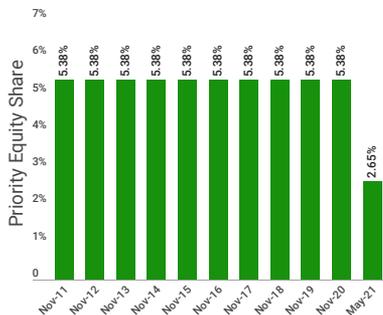
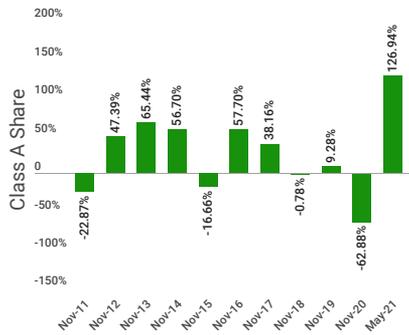
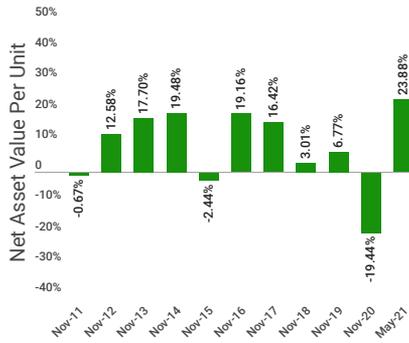
The base management fee was used by Quadravest to provide investment analysis, make investment decisions, and make brokerage arrangements for the purchase and sale of securities including the covered call writing program. The administration fee was used to provide or arrange administrative services required by the Company which includes all operational services, financial accounting, shareholder reporting and regulatory reporting.

PAST PERFORMANCE

Year-by-Year Returns

The past performance of 1) the net asset value per unit; 2) the Priority Equity share on a net asset value basis; and 3) the Class A share on a net asset value basis for each of the last ten years are presented in the bar charts below. Each bar in the chart reflects the change in percentage terms of how a unit, a Priority Equity share or a Class A share would have increased or decreased during the applicable year. In respect to the charts displayed below, please note the following:

- The performance information shown assumes that all cash distributions made by the Company during the years shown were reinvested in the applicable additional securities of the Company;
- The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance; and
- Past performance of the Company does not necessarily indicate how it will perform in the future.



SUMMARY OF INVESTMENT PORTFOLIO
All holdings as at May 31, 2021

Name	Weighting (%)
Toronto-Dominion Bank	95.6
Cash	5.3
Other net assets (liabilities)	-0.9
	100.0

The summary of investment portfolio may change due to ongoing portfolio transactions of the Company. Updates are available quarterly.

TDb SPLIT CORP.**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The interim financial statements of TDb Split Corp. (the "Company") have been prepared by Quadravest Capital Management Inc. (the "Manager" of the Company) and approved by the Board of Directors of the Company. The Manager is responsible for the information and representations contained in these interim financial statements and the other sections of the semi-annual report.

The Manager maintains appropriate procedures to ensure that relevant and reliable financial information is produced. The interim financial statements have been prepared in accordance with International Financial Reporting Standards, as applicable to the preparation of interim financial statements including International Accounting Standard 34, and may include certain amounts that are based on estimates and judgments. The significant accounting policies applicable to the Company are described in note 3 to the financial statements.

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

The Company's independent auditor has not performed a review of these interim financial statements in accordance with standards established by the Chartered Professional Accountants.

**WAYNE FINCH**

Chief Executive Officer, President and Director
Quadravest Capital Management Inc.

**SILVIA GOMES**

Chief Financial Officer
Quadravest Capital Management Inc.