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**DIVIDEND SELECT 15 CORP.**  
**SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE**  
**MAY 31, 2021**

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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.dividendselect15.com](http://www.dividendselect15.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.dividendselect15.com](http://www.dividendselect15.com) or [www.sedar.com](http://www.sedar.com).

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**INVESTMENT OBJECTIVES AND STRATEGIES**

The Company invests in a portfolio of dividend yielding common shares which will include 15 of the 20 Canadian companies listed below:

Bank of Montreal	Royal Bank of Canada
BCE Inc.	Sun Life Financial Inc.
Canadian Imperial Bank of Commerce	TC Energy Corp.
Cenovus Energy Inc.	TELUS Corporation
CI Financial Corp.	The Bank of Nova Scotia
Enbridge Inc.	The Toronto-Dominion Bank
Great-West Lifeco Inc.	Thomson Reuters Corporation
Loblaw Companies Ltd.	TMX Group Inc.
National Bank of Canada	TransAlta Corporation
Ovintiv Inc.	
Power Corporation of Canada	

The selection of the 15 portfolio companies from among the portfolio universe listed above will be made by the Company's investment manager, Quadravest Capital Management Inc. ("Quadravest"), based on its assessment from time to time as to which companies in the portfolio universe have the most stable dividends and attractive growth potential. In order to supplement the dividends received on the portfolio and to reduce risk, the Company will employ an active covered call writing program.

## **Investment Objectives**

The Company's objectives are to provide Equity shareholders with:

- (i) monthly cash distributions, currently targeted to be at a rate of 10% annualized based on the volume weighted average market price of the Equity shares for the last three trading days of the preceding month; and
  - (ii) the opportunity for capital appreciation.
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## **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.

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## **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 held in the portfolio. 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 companies held in the portfolio appreciated significantly during the period.

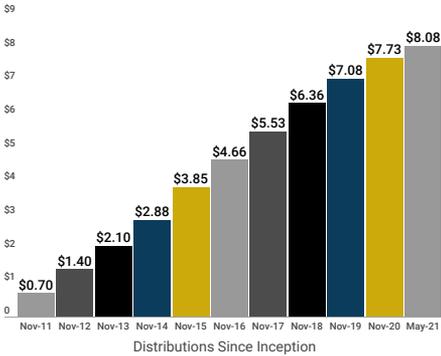
The net assets per unit finished the period at \$7.39 per Equity share as at May 31, 2021, after the payment of \$0.34 in distributions. Total distributions of \$8.08 have been paid since inception.

Net assets of the Company finished the period at \$44.6 million.

The covered call writing program continued to provide additional income and supplemented the dividend income earned in the portfolio.

## Equity shares - Distributions

Total distributions during the period amounted to \$0.3416.



8.08

Cumulative total of distributions paid since inception

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## 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.

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## RELATED PARTY TRANSACTIONS

Quadinvest 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 Equity share.

### The Company's net assets per Equity share

	May 31, 2021	Years ended November 30				
		2020	2019	2018	2017	2016
Net assets per Equity share, beginning of period <sup>(1)</sup>	6.50	7.61	7.36	8.50	8.69	8.49
Increase (decrease) from operations						
Total revenue	0.14	0.31	0.32	0.31	0.31	0.33
Total expenses	(0.07)	(0.12)	(0.12)	(0.12)	(0.15)	(0.14)
Realized gains for the period	(0.07)	0.22	0.44	0.11	0.21	0.05
Unrealized gains (losses) for the period	1.23	(1.10)	0.33	(0.60)	0.32	0.75
Total increase (decrease) from operations <sup>(2)</sup>	<u>1.23</u>	<u>(0.69)</u>	<u>0.97</u>	<u>(0.30)</u>	<u>0.69</u>	<u>0.99</u>
Distributions <sup>(3)</sup>						
Canadian dividends	(0.23)	(0.44)	(0.29)	(0.73)	(0.66)	(0.76)
Capital gains dividends	<u>(0.11)</u>	<u>(0.21)</u>	<u>(0.43)</u>	<u>(0.10)</u>	<u>(0.21)</u>	<u>(0.05)</u>
Total distributions	<u>(0.34)</u>	<u>(0.65)</u>	<u>(0.72)</u>	<u>(0.83)</u>	<u>(0.87)</u>	<u>(0.81)</u>
Net assets per Equity share, end of period	7.39	6.50	7.61	7.36	8.50	8.69

- (1) Net assets per Equity share is the difference between the aggregate amount of the assets of the Company and the aggregate amount of the liabilities of the Company on that date divided by the number of Equity shares then outstanding.
- (2) Total increase (decrease) from operations is calculated based on the weighted average number of Equity shares outstanding during the period.
- (3) Distributions on the Equity shares are based on the number of Equity 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 (BASED ON NET ASSET VALUE)

	May 31, 2021	2020	Years ended November 30			2016
			2019	2018	2017	
Net asset value (millions) <sup>(1)</sup>	\$44.6	\$40.8	\$58.1	\$72.7	\$76.3	\$78.8
Number of Equity shares outstanding	6,031,341	6,276,241	7,631,077	9,883,588	8,969,588	9,071,688
Base Management expense ratio <sup>(2)</sup>	1.82%	1.75%	1.56%	1.47%	1.71%	1.59%
Management expense ratio including one time offering expenses <sup>(3)</sup>	1.82%	1.75%	1.56%	2.04%	1.71%	1.59%
Portfolio turnover rate <sup>(4)</sup>	2.37%	5.32%	0.00%	7.84%	13.97%	2.44%
Trading expense ratio <sup>(5)</sup>	0.10%	0.09%	0.04%	0.03%	0.04%	0.04%
Closing market price (TSX):	\$8.00	\$6.45	\$7.43	\$7.08	\$8.71	\$8.63

(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 share of such offerings.

(4) The Company's portfolio turnover rate indicates how actively Quadrainvest 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.

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

## MANAGEMENT FEES

Pursuant to the management and investment management agreement, Quadrainvest is entitled to a management fee at an annual rate equal to 1.10% of the Company's net asset value calculated as at the month-end valuation date, out of which a service fee of 0.40% will be paid by Quadrainvest to dealers.

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

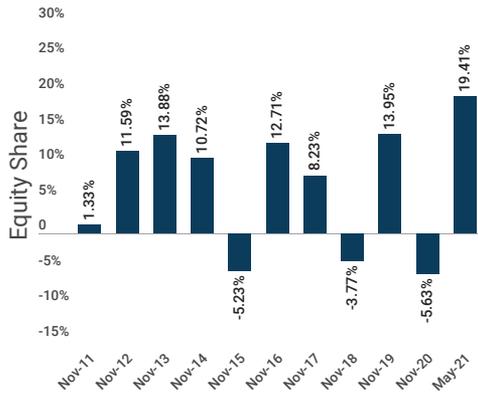
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## PAST PERFORMANCE

### Year-by-Year Returns

The past performance of an Equity share for each of the last ten years is presented in the bar charts below. Each bar in the chart reflects the change in percentage terms of how an Equity 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	9.4
National Bank of Canada	8.9
Royal Bank of Canada	8.2
Thomson Reuters Corporation	8.1
Enbridge Inc.	7.6
Power Corporation of Canada	7.2
Bank of Nova Scotia	6.6
TC Energy Corp.	6.4
Sun Life Financial Inc.	6.3
BCE Inc.	6.1
Canadian Imperial Bank of Commerce	5.6
TELUS Corporation	5.3
CI Financial Corp.	5.2
TransAlta Corporation	4.9
Cenovus Energy Inc.	2.9
Cenovus Energy Inc. - warrants	0.1
<b>Total long positions as a percentage of net assets</b>	<b>98.8</b>
Cash	2.1
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.

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**DIVIDEND SELECT 15 CORP.**  
**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The interim financial statements of Dividend Select 15 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.