2023 SEMI-ANNUAL REPORT

MIDDLEFIELD GLOBAL INFRASTRUCTURE FUND

MIDDLEFIELD
MUTUAL FUNDS

MIDDLEFIELD CORPORATE PROFILE

The Middlefield Group was established in 1979 and is a Specialty Investment Manager which creates investment products designed to balance risk and return to meet the demanding requirements of Financial Advisors and their clients. These financial products include Exchange-Traded Funds, Mutual Funds, Private and Public Resource Funds, Split Share Corporations, Venture Capital Assets, TSX Publicly Traded Funds and Real Estate Investment Funds and Partnerships.

Middlefield's investment team comprises portfolio managers, analysts and traders. While all of our investment products are designed and managed by Middlefield professionals, some involve strategic partnerships with other "best-in-class" firms that bring unique value to our product offerings. In 2014, we entered into an exclusive arrangement with SSR, LLC, based in Stamford, Connecticut. They provide specialized research into sectors of the economy such as Healthcare and Innovation Technology. SSR is an independent investment firm whose analysts have been highly ranked and are recognized as leaders in their respective fields. Their fundamental company level research is often non-consensus and provides guidance on overall portfolio construction and security selection.

Looking ahead, Middlefield remains committed to managing and developing new and unique investment products to assist Financial Advisors in helping clients achieve their investment objectives.

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A NOTE ON FORWARD LOOKING STATEMENTS

This document may contain forward looking statements, including statements regarding: the Fund, its strategies, goals and objectives; prospects; future performance or condition; possible future actions to be taken by the Fund; and the performance of investments, securities, issuers or industries in which the Fund may from time to time invest. Forward looking statements include statements that are predictive in nature, that depend upon or refer to future results, events, circumstances, expectations and performance, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and other similar wording. Forward looking statements are not historical facts, but reflect the Fund's current beliefs as of the date of this document regarding future results, events, circumstances, expectations or performance and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors. Forward looking statements are not guarantees of future performance, and actual results, events, circumstances, expectations or performance could differ materially from those expressed or implied in any forward looking statements contained in this document. Factors which could cause actual results, events, circumstances, expectations or performance to differ materially from those expressed or implied in forward looking statements include, but are not limited to: general economic, political, market and business factors and conditions; commodity price fluctuations; interest and foreign exchange rate fluctuations; global equity and capital markets; the financial condition of each issuer in which the Fund invests; the effects of competition in the industries or geographic areas in which the Fund may invest; statutory and regulatory developments; unexpected judicial or regulatory proceedings; and catastrophic events. Readers are cautioned that the foregoing list of factors is not exhaustive and to avoid placing undue reliance on forward looking statements due to the inherent uncertainty of such statements. The Fund does not undertake, and specifically disclaims, any obligation to update or revise any forward looking statements, whether as a result of new information, future developments, or otherwise.

2023 Mid-Year Review and Outlook

Equity market returns were widely dispersed during the first half of 2023 (H1). The sharp recovery in technology stocks has been the biggest driver of relative performance, leading to the best first half of a year for the Nasdaq 100 in history (with data going back to 1985). The hype around artificial intelligence (AI) has fueled this rally and resulted in narrow market leadership. The “magnificent seven” – Apple, Microsoft, Google, Amazon, Meta, Tesla and Nvidia – did most of the heavy lifting, returning ~58% in H1. While market leadership has been narrow, we believe it is well deserved by some of the best companies in the world that will benefit from the AI cycle. Conversely, many core sectors of the market, including energy, utilities, financials and real estate, lagged in H1.

The underlying fundamentals for equities have improved in recent months. The most notable change to the economic landscape has been a significant drop in inflation. In Canada, the year-over-year rate of inflation was 2.8% in June 2023, well below 6.3% at the end of 2022 and its peak of 8.1% a year prior. Falling inflation has contributed to lowered expectations of a recession and boosted consumer confidence. In the US, the University of Michigan’s monthly Consumer Sentiment Index hit 72.6 in July 2023, the highest reading since September 2021 and the biggest one-month gain since 2006. The labour market has also proven to be extremely resilient, with the unemployment rate near all-time lows in both countries. Real hourly earnings are increasing for the first time in two years which further supports consumer demand. Although most economists have been forecasting a recession since 2022, the broad strength of the consumer and the tightness of the labour market may be enough to support a soft landing – an outcome that we believe is becoming increasingly likely.

Despite inflation trending lower in H1, it remains above most central banks’ long-term targets and monetary policy remains in restrictive territory. Services inflation, which is influenced by the rate of unemployment and wages, represents a bigger risk to overall inflation statistics and increases the likelihood of rates staying higher-for-longer. While economic data steadily improved throughout H1, real yields have risen which should temper further multiple expansion on the broad market and growth stocks in particular.

We are bullish on several areas of the Canadian stock market as Canadian equities are attractively valued on a relative basis. As at June 30 2023, the TSX Composite traded at a blended forward price to earnings multiple of 13.2x – more than a six turn discount to the S&P 500 multiple of 19.4x. In addition to attractive valuations, the total payout yield (dividends plus share buybacks) for the TSX is more attractive than the S&P 500, meaning investors are receiving more free cash flow from their investments in Canada. Companies in the TSX paid out a record $170 billion in total shareholder returns over the past twelve months, representing a payout yield of 5.5 per cent. $100 billion of this figure comes from dividend payments, supported by strong earnings and free cash flow growth.

We believe outperformance can be achieved in H2 through exposure to cyclical value sectors such as financials, resources, industrials and real estate. We expect these groups to outperform secular growth industries as the market prices in a soft landing in the economy and market breadth expands. We believe the economy has been going through a rolling recession over the past 18 months, i.e., various sectors are already in a recession while the economy continues to expand as a whole. Looking forward over the next twelve months, our view is that a rolling expansion is likely to take place in sectors that have already experienced earnings declines and share price depreciation.

Real estate had an excellent start to 2023 but was negatively impacted by macro headwinds that surfaced late in Q1. The collapse of several regional banks in the US sparked fears of a credit crunch in commercial real estate, particularly for office assets. We believe the operating environment for office REITs has become more challenging due to ongoing credit issues and uncertain work from home trends. That said, fundamentals across the rest of the sector remain very healthy. REITs continue to act as an effective hedge against inflation as companies can raise rents on expiring leases, particularly in undersupplied asset classes such as industrial, multi-family and retail. REITs have historically outperformed the TSX twelve to twenty-four months after the first Bank of Canada rate hike, which occurred in March 2022. The TSX Capped REIT Index generated a total return of 0.7% in H1, trailing the TSX Composite return of 5.8%. We are optimistic that sentiment is starting to bottom, and the sector is positioned for a catch-up trade in H2. *Real Estate Dividend Class (F Series)* generated a total return of 2.3% in H1, outperforming the benchmark.

After a year of strong performance in 2022, defensive sectors underperformed in H1 as the market began pricing in a soft landing. Healthcare finished as the third worst performing sector in the S&P 500 and had its worst first half in three decades relative to the broader market. Healthcare equipment companies were a bright spot within the sector, generating a total return of 13.1%. After three years of macro headwinds, including COVID-19 disruptions, supply chain bottlenecks and labour shortages, the operating environment for MedTech companies has improved. Healthcare facilities are now experiencing elevated utilization as patients return to hospitals and outpatient clinics to receive elective procedures that were deferred during the pandemic. We believe these conditions should persist for the remainder of 2023 and into 2024 as the system works through backlogs, especially for orthopedic and cardio procedures. Low unemployment represents an additional tailwind for MedTech companies as more patients are covered by health insurance. *Middlefield Global Healthcare Dividend Fund* finished H1 with a ~10% overweight weighting to MedTech companies relative to the benchmark.

We believe that infrastructure will be a highly sought-after asset class under a variety of economic backdrops. Revenues from infrastructure assets are typically guaranteed by long-term contracts that provide high cash flow visibility, even under challenging economic conditions. Infrastructure assets are benefiting from a broad range of secular tailwinds, including decarbonization targets, government support packages and shifting demographics. *Middlefield Global Infrastructure Fund* invests across multiple different sectors and industries. Regulated utilities, energy infrastructure, renewable power producers and data infrastructure companies represent core exposures within these funds. Notwithstanding higher interest rates, which makes project financing more expensive, we maintain an optimistic long-term view of companies that own, operate or supply infrastructure projects around the world.

Information technology was the top performing sector in the S&P 500 in H1, generating a total return of 42.8%. In our view, tech's impressive outperformance was justifiable given the two main headwinds that impacted the sector in 2022 – inflation and higher rates – have been easing. Looking forward, we remain optimistic on the tech sector and innovative companies broadly given fundamental growth underpinnings. The outlook for generative AI is promising and should support continued investment in semiconductors and cloud computing. After five consecutive quarters of weak EPS growth, tech earnings are poised to outpace the broader market in H2 and into 2024. *Middlefield Innovation Dividend Class (F Series)* generated a total return of 25.7%, outperforming its benchmark, the NASDAQ Technology Dividend Index, which returned 24.3%.

Fertilizer stocks underperformed in H1 as farmers deferred purchasing higher priced inventories. The price of natural gas, the main input for most nitrogen fertilizer, declined in H1 which allowed for a rebound in nitrogen supply from producers. The resulting decline in prices brings relief to farmers, who have faced rising costs since the outbreak of the Russia/Ukraine war. We believe fertilizer prices are now starting to bottom which should provide an attractive entry point for the sector with both demand and prices improving in H2.

Dividend stocks underperformed the broader market in H1 which was primarily a function of market rotation into growth from value. Despite the short-term underperformance, we remain confident in the long-term potential for dividend growth stocks, which have outperformed the market over the long run. Within the investment universe of dividend stocks, we continue to see plenty of attractive opportunities across key sectors including technology, healthcare, financials and real estate. *Middlefield Global Dividend Growers Class* generated a total return of 9.8% in H1, outperforming its benchmark, MSCI World Dividend Growers Quality Select Index, which returned 7.5%. The Fund invests in an actively managed portfolio primarily comprised of global equity income securities with an emphasis on companies that have grown their dividends over time.

Outlook

Our market outlook is sanguine for the second half of 2023. Recession risks are receding and investor sentiment has started to improve. A huge amount of capital that made its way into money market funds during Q4'22/Q1'23 is now starting to flow back into equities. We have noted a growing list of individual stocks that are starting to break out of recent trends, which supports our view that market breadth is poised to improve. Tech stocks have led the market so far this year, but valuations are beginning to look stretched, requiring a more selective approach to security selection going forward. We believe a rotation out of expensive growth stocks into more reasonably priced value names is likely over the coming months, which bodes well for many of our attractively priced dividend-paying core holdings. In sectoral terms, we are bullish on REITs, Financials, Energy and select areas of Healthcare.

Our focus remains on high-quality, dividend paying companies. We believe central banks are likely to maintain hawkish monetary policy for longer than the market is hoping for, which puts a ceiling on how much multiple expansion can take place going forward. As a result, dividend income should represent a larger portion of total returns in H2 and will be highly coveted by investors. We remain cognizant of the lag effects that higher interest rates have on the consumer and are closely watching economic indicators to gauge the overall health of the economy. We do not expect a recession to manifest in H2 and we currently favour cyclical exposure. If recession risks start to rise later in the year, we would tactically shift our funds' asset allocation towards defensive sectors such as healthcare, utilities and consumer staples.

Dean Orrico
President and CEO
Middlefield Capital Corporation

Robert F. Lauzon
Managing Director and Chief Investment Officer
Middlefield Capital Corporation

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2023

This interim management report of fund performance contains financial highlights but does not contain the annual financial statements of the investment fund. This report should be read in conjunction with the complete interim financial report of the investment fund that follows this report. The interim financial report has not been reviewed by the investment fund's external auditors.

Securityholders may contact us by calling 1-888-890-1868, by writing to us at Middlefield Group at one of the addresses on the back cover or by visiting our website at www.middlefield.com to request a copy of the investment fund's annual financial statements, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

Management's Discussion of Fund Performance

Investment Objective and Strategies
Middlefield Global Infrastructure Fund (the "Fund") is a mutual fund trust. The Fund is authorized to issue series of units designated as Series A and F. The investment objective of the Fund is to maximize long-term total return by investing in a diversified portfolio of companies that own, develop, maintain or are involved in the global infrastructure sector.

Results of Operations
Investment Performance
The net assets of the Fund decreased from $21.1 million at December 31, 2022 to $19.6 million at June 30, 2023. Net assets on a per unit basis for Series A decreased from $9.67 at December 31, 2022 to $9.33 at June 30, 2023. Net assets on a per unit basis for Series F decreased from $11.11 at December 31, 2022 to $10.82 at June 30, 2023. The Fund recorded a $0.3 million net loss on its investment portfolio during the six months ended June 30, 2023.

Revenue and Expenses
Revenue for the six months ended June 30, 2023, amounted to $0.2 million, up from a loss of $1.3 million in 2022. The increase was primarily due to the net gain on the Fund's investments. Operating expenses for the period ended June 30, 2023 amounted to $0.2 million, down from $0.3 million in 2022. The management expense ratio ("MER") in 2023 was 2.87% for Series A and 1.76% for Series F. Distributions for the period ended June 30, 2023 amounted to $0.30 per unit for both Series A and Series F.

Trends
Infrastructure assets are benefiting from a broad range of secular tailwinds, including decarbonization targets, government support packages and shifting demographics.

Related Party Transactions
Pursuant to a management agreement, Middlefield Limited (the "Manager") receives a management fee. For further details please see the "Management Fees" section of this report. Middlefield Capital Corporation ("MCC" or the "Advisor"), the advisor to the Fund and a company under common control with the Manager, receives advisory fees from the Manager out of the management fee. MCC also receives brokerage commissions from the Fund in connection with securities transactions. All brokerage commissions paid by the Fund to MCC were at or below market rates. As at June 30, 2023, the Fund held investments in other investment funds managed by the Manager. All management fees charged by the underlying investment fund held by the Fund were rebated to the Fund. For further details please see the notes to the financial statements.

Management Fees
Management fees are calculated at 2.0% per annum for the Series A units and 1.0% per annum for the Series F units, of the net asset value of each Series and are split between the Manager, the Advisor and investment dealers who receive trailing commissions. The Manager receives fees for the general administration of the Fund, including maintaining the accounting records, executing securities trades, monitoring compliance with regulatory requirements, and negotiating contractual agreements, among other things. The Advisor receives fees from the Manager for providing investment advice in respect of the portfolio in accordance with the investment objective and strategies of the Fund. During the period ended June 30, 2023, approximately 38% of total management fees were used to pay for trailing commissions.

Financial Highlights
Net Assets Attributable to Holders of Redeemable Units are calculated in accordance with International Financial Reporting Standards ("IFRS").

"Net Asset Value" is calculated in accordance with section 14.2 of National Instrument 81-106 "Investment Fund Continuous Disclosure" ("NI 81-106") and is used for transactional pricing purposes.

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 indicated periods. Ratios and Supplemental Data are derived from the Fund's Net Asset Value.

The Fund's Net Assets Per Unit (1) – Series A	**June 30 2023(4)**	December 31 2022	December 31 2021	December 31 2020	December 31 2019	December 31 2018
Net Assets Attributable to Holders of Redeemable Units, Beginning of Period	**$ 9.67**	$ 10.81	$ 10.21	$ 11.17	$ 9.65	$ 10.75
INCREASE (DECREASE) FROM OPERATIONS:						
Total Revenue	**0.24**	0.31	0.26	0.27	0.30	0.44
Total Expenses (excluding distributions)	**(0.12)**	(0.28)	(0.28)	(0.26)	(0.28)	(0.28)
Realized Gains (Losses) for the Period	**1.05**	0.63	0.97	0.45	0.76	0.27
Unrealized Gains (Losses) for the Period	**(1.22)**	(1.18)	0.28	(0.93)	1.44	(0.83)
Transaction Costs on Purchase and Sale of Investments	**(0.01)**	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)
TOTAL INCREASE (DECREASE) FROM OPERATIONS (2)	**(0.04)**	(0.54)	1.20	(0.36)	2.12	(0.50)
DISTRIBUTIONS:						
From Net Investment Income	**0.12**	0.03	-	-	0.02	0.15
From Capital Gains	**0.18**	0.57	0.60	0.45	0.58	0.28
Return of Capital	**-**	-	-	0.15	-	0.17
TOTAL DISTRIBUTIONS (3)	**0.30**	0.60	0.60	0.60	0.60	0.60
Net Assets Attributable to Holders of Redeemable Units, End of Period	**$ 9.33**	$ 9.67	$ 10.81	$ 10.21	$ 11.17	$ 9.65

The Fund's Net Assets Per Unit (1) – Series F	**June 30 2023(4)**	December 31 2022	December 31 2021	December 31 2020	December 31 2019	December 31 2018
Net Assets Attributable to Holders of Redeemable Units, Beginning of Period	**$ 11.11**	$ 12.19	$ 11.32	$ 12.18	$ 10.36	$ 11.37
INCREASE (DECREASE) FROM OPERATIONS:						
Total Revenue	**0.27**	0.37	0.30	0.29	0.32	0.48
Total Expenses (excluding distributions)	**(0.08)**	(0.19)	(0.18)	(0.17)	(0.17)	(0.17)
Realized Gains (Losses) for the Period	**1.22**	0.71	1.04	0.47	0.86	0.26
Unrealized Gains (Losses) for the Period	**(1.39)**	(1.40)	0.32	(0.89)	1.47	(0.96)
Transaction Costs on Purchase and Sale of Investments	**(0.01)**	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
TOTAL INCREASE (DECREASE) FROM OPERATIONS (2)	**0.01**	(0.48)	1.47	(0.26)	2.42	(0.41)
DISTRIBUTIONS:						
From Net Investment Income	**0.19**	0.17	0.11	0.13	0.15	0.31
From Capital Gains	**0.11**	0.43	0.49	0.47	0.45	0.26
Return of Capital	**-**	-	-	-	-	0.03
TOTAL DISTRIBUTIONS (3)	**0.30**	0.60	0.60	0.60	0.60	0.60
Net Assets Attributable to Holders of Redeemable Units, End of Period	**$ 10.82**	$ 11.11	$ 12.19	$ 11.32	$ 12.18	$ 10.36

(1) This information is derived from the Fund's audited annual financial statements and unaudited interim financial report.
(2) Net Assets Attributable to Holders of Redeemable Units and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This schedule is not a reconciliation of Net Asset Value since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and accordingly columns may not add.
(3) Distributions were paid in cash/reinvested in additional units of the Fund, or both.
(4) For the six month period ended June 30, 2023.

Ratios and Supplemental Data – Series A	**June 30 2023[4]**	December 31 2022	December 31 2021	December 31 2020	December 31 2019	December 31 2018
Total Net Asset Value (000s)	**$ 12,212**	$ 13,474	$ 17,149	$ 17,233	$ 21,671	$ 25,191
Number of Units Outstanding	**1,308,581**	1,392,649	1,585,822	1,688,027	1,939,744	2,611,061
Management Expense Ratio ("MER") [1]	**2.87%**	2.74%	2.57%	2.64%	2.60%	2.67%
Trading Expense Ratio [2]	**0.28%**	0.11%	0.11%	0.13%	0.13%	0.16%
Portfolio Turnover Rate [3]	**45.11%**	41.28%	34.99%	37.49%	27.53%	30.13%
Net Asset Value Per Unit	**$ 9.33**	$ 9.67	$ 10.81	$ 10.21	$ 11.17	$ 9.65

Ratios and Supplemental Data – Series F	**June 30 2023[4]**	December 31 2022	December 31 2021	December 31 2020	December 31 2019	December 31 2018
Total Net Asset Value (000s)	**$ 7,383**	$ 7,628	$ 7,288	$ 6,482	$ 7,177	$ 6,922
Number of Units Outstanding	**682,482**	686,731	597,941	572,858	589,226	668,070
Management Expense Ratio ("MER") [1]	**1.76%**	1.63%	1.49%	1.55%	1.50%	1.54%
Trading Expense Ratio [2]	**0.28%**	0.11%	0.11%	0.13%	0.13%	0.16%
Portfolio Turnover Rate [3]	**45.11%**	41.28%	34.99%	37.49%	27.53%	30.13%
Net Asset Value Per Unit	**$ 10.82**	$ 11.11	$ 12.19	$ 11.32	$ 12.18	$ 10.36

(1) The MER is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average Net Asset Value during the period. Where the Fund invests in securities of another investment fund managed by the Manager, the total expenses include the pro-rata share of the expenses of the underlying fund. All management fees charged by the underlying investment fund held by the Fund are rebated to the Fund.

(2) 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. Where a Fund invests in securities of another investment fund managed by the Manager, the total commissions and other portfolio transaction costs include the pro-rata share of these costs from the underlying Fund.

(3) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio investments are managed. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher the Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

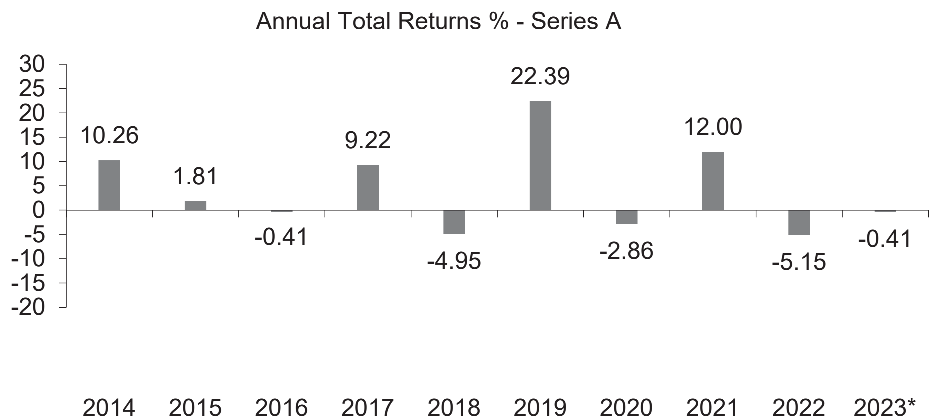
(4) As at June 30, 2023 or for the six-month period ended June 30, 2023, as applicable.

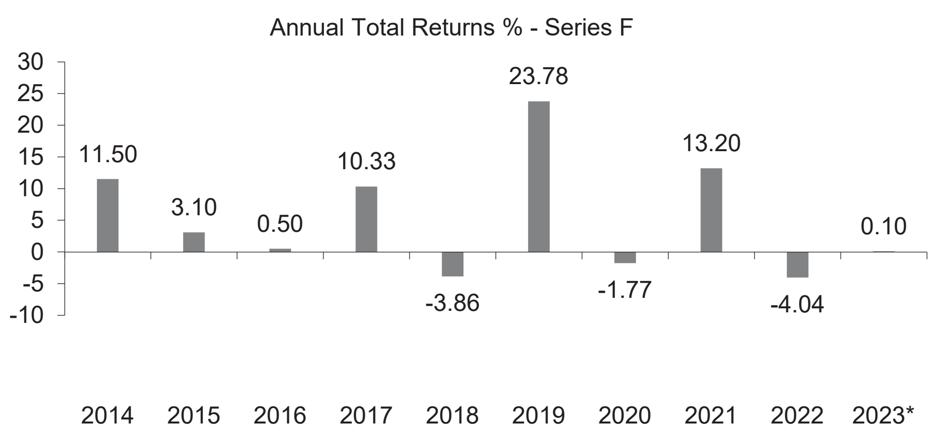
Past Performance

The performance information shown, which is based on Net Asset Value, assumes that all distributions paid by the Fund in the years shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-By-Year Returns

The bar charts show how the Fund's performance has varied from year to year for each of the year shown. The returns for 2013 are not presented since they relate to a partial period. The charts indicate, in percentage terms, how much an investment made the first day of each financial period would have grown or decreased by the last day of the financial period.





* For the six month period ended June 30, 2023.

Summary of Investment Portfolio

AS AT JUNE 30, 2023

Top Twenty-Five Holdings*

DESCRIPTION		% OF NET ASSET VALUE
1	Middlefield Sustainable Infrastructure Dividend ETF	53.7
2	Secure Energy Services Inc.	5.1
3	Canadian Apartment Properties Real Estate Investment Trust	5.0
4	Topaz Energy Corp.	4.7
5	Ferrovial SE	4.7
6	Westshore Terminals Investment Corp.	4.6
7	Union Pacific Corp.	4.6
8	Enbridge Inc.	4.5
9	Boardwalk Real Estate Investment Trust	4.4
10	TransAlta Corp.	4.4
11	Tidewater Renewables Ltd.	2.1

"Top Twenty-Five Holdings" excludes any temporary cash investments.
* The Fund has only 11 holdings.

ASSET CLASS	% OF NET ASSET VALUE
Exchange-Traded Fund(s)	53.7
Industrials	13.9
Energy	11.9
Real Estate	9.4
Pipelines	4.5
Utilities	4.4
Cash and Short-Term Investments	2.1
Other Assets (Liabilities)	0.1
	100.0
TOTAL NET ASSET VALUE	$ 19,594,988

The Summary of Investment Portfolio may change over time due to ongoing portfolio transactions. The Prospectus of any investment funds owned by the Fund can be found online at www.sedar.com.

Please visit www.middlefield.com for the most recent quarter-end Summary of Investment Portfolio.

NOTICE

The accompanying unaudited financial statements of Middlefield Global Infrastructure Fund for the period ended June 30, 2023 have been prepared by management and have not been reviewed by the external auditors of the Fund.

Jeremy Brasseur Director Middlefield Limited	Craig Rogers Director Middlefield Limited

August 21, 2023

Statements of Financial Position

AS AT (In Canadian Dollars)	**June 30, 2023**	December 31, 2022
ASSETS		
Current Assets		
Investments at Fair Value Through Profit or Loss	**$ 19,158,937**	$ 20,483,290
Cash	**411,655**	627,726
Income and Interest Receivable	**92,678**	82,113
Subscriptions Receivable	**-**	1,002
Total Assets	**19,663,270**	21,194,131
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Liabilities	**47,792**	44,021
Management Fee Payable (Note 7)	**20,103**	32,671
Redemptions Payable	**387**	15,412
Total Liabilities (Excluding Net Assets Attributable to Holders of Redeemable Units)	**68,282**	92,104
Net Assets Attributable to Holders of Redeemable Units	**$ 19,594,988**	$ 21,102,027
Net Assets Attributable to Holders of Redeemable Units – Series A	**$ 12,212,420**	$ 13,473,616
Net Assets Attributable to Holders of Redeemable Units – Series F	**$ 7,382,568**	$ 7,628,411
Mutual Fund Units Issued and Outstanding – Series A (Note 6)	**1,308,581**	1,392,649
Mutual Fund Units Issued and Outstanding – Series F (Note 6)	**682,482**	686,731
Net Assets Attributable to Holders of Redeemable Units per Unit – Series A	**$ 9.33**	$ 9.67
Net Assets Attributable to Holders of Redeemable Units per Unit – Series F	**$ 10.82**	$ 11.11

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

Approved by the Board of Directors of Middlefield Limited, as Manager:

Director: Jeremy Brasseur

Director: Craig Rogers

Statements of Comprehensive Income

FOR THE SIX MONTHS ENDED JUNE 30

(In Canadian Dollars)		2023		2022
REVENUE (LOSS)				
Income from Investments	**$**	**497,607**	$	363,989
Interest Income for Distribution Purposes		**18,303**		502
Foreign Exchange Gain (Loss) on Cash		**921**		(2,545)
Other Changes in Fair Value of Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss				
Net Realized Gain (Loss) from Investment Transactions		**2,279,963**		641,515
Change in Net Unrealized Gain (Loss) on Investments		**(2,618,721)**		(2,297,018)
Change in Net Unrealized Gain (Loss) on Foreign Currency Transactions		**(161)**		1,025
Total Gain Revenue (Loss)		**177,912**		(1,292,532)
OPERATING EXPENSES (Note 7)				
Audit Fees		**6,678**		4,988
Custodial Fees		**1,124**		1,236
Fund Administration Costs		**33,361**		31,766
Legal Fees		**1,735**		1,153
Management Fee		**179,255**		211,701
Transaction Costs (Note 7)		**19,110**		3,520
Unitholder Reporting Costs		**5,636**		9,169
Total Operating Expenses		**246,899**		263,533
Profit (Loss) before Tax		**(68,987)**		(1,556,065)
Withholding Taxes		**67**		9,180
Profit (Loss) after Tax	**$**	**(69,054)**	$	(1,565,245)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	**$**	**(69,054)**	$	(1,565,245)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Series A	**$**	**(77,348)**	$	(1,055,853)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units – Series F	**$**	**8,294**	$	(509,392)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit – Series A (Note 6)	**$**	**(0.06)**	$	(0.70)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit – Series F (Note 6)	**$**	**0.01**	$	(0.81)

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

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

FOR THE SIX MONTHS ENDED JUNE 30, 2023 (In Canadian Dollars)	Series A	Series F	Total
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period	**$ 13,473,616**	**$ 7,628,411**	**$ 21,102,027**
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	**(77,348)**	**8,294**	**(69,054)**
DISTRIBUTIONS TO UNITHOLDERS:			
From Net Investment Income	**(157,461)**	**(130,593)**	**(288,054)**
From Capital Gains	**(241,912)**	**(74,226)**	**(316,138)**
	(399,373)	**(204,819)**	**(604,192)**
REDEEMABLE UNIT TRANSACTIONS:			
Proceeds from Issue of Units	**127,439**	**89,344**	**216,783**
Reinvested Distributions	**329,578**	**108,986**	**438,564**
Payment on Redemption of Units	**(1,241,492)**	**(247,648)**	**(1,489,140)**
	(784,475)	**(49,318)**	**(833,793)**
Net Assets Attributable to Holders of Redeemable Units at End of Period	**$ 12,212,420**	**$ 7,382,568**	**$ 19,594,988**

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

FOR THE SIX MONTHS ENDED JUNE 30, 2022 (In Canadian Dollars)	Series A	Series F	Total
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period	$ 17,149,372	$ 7,288,355	$ 24,437,727
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	(1,055,853)	(509,392)	(1,565,245)
DISTRIBUTIONS TO UNITHOLDERS:			
From Net Investment Income	(35,969)	(59,329)	(95,298)
From Capital Gains	(415,499)	(130,651)	(546,150)
	(451,468)	(189,980)	(641,448)
REDEEMABLE UNIT TRANSACTIONS:			
Proceeds from Issue of Units	71,773	919,278	991,051
Reinvested Distributions	368,268	95,161	463,429
Payment on Redemption of Units	(1,819,330)	(147,474)	(1,966,804)
	(1,379,289)	866,965	(512,324)
Net Assets Attributable to Holders of Redeemable Units at End of Period	$ 14,262,762	$ 7,455,948	$ 21,718,710

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

Statements of Cash Flows

FOR THE SIX MONTHS ENDED JUNE 30 (In Canadian Dollars)	2023	2022
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	**$ (69,054)**	$ (1,565,245)
Adjustments:		
Proceeds from Sale of Investments	**9,813,354**	2,452,211
Purchases of Investments	**(8,827,759)**	(1,699,722)
Foreign Exchange (Gain) Loss on Cash	**(760)**	1,520
Net Realized (Gain) Loss from Investment Transactions	**(2,279,963)**	(641,515)
Change in Net Unrealized (Gain) Loss on Investments	**2,618,721**	2,297,018
	1,254,539	844,267
Net Change in Non-Cash Working Capital	**(19,362)**	(5,631)
Net Cash from (used in) Operating Activities	**1,235,177**	838,636
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:		
Proceeds from Issue of Units	**217,785**	1,016,419
Payment on Redemption of Units	**(1,504,165)**	(1,965,943)
Distributions Paid	**(165,628)**	(178,019)
Net Cash from (used in) Financing Activities	**(1,452,008)**	(1,127,543)
Net Increase (Decrease) in Cash	**(216,831)**	(288,907)
Net Foreign Exchange Gain (Loss) on Cash	**760**	(1,520)
Cash at Beginning of Period	**627,726**	1,057,667
Cash at End of Period	**$ 411,655**	$ 767,240

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

Schedule of Investment Portfolio

AS AT JUNE 30, 2023
(In Canadian Dollars)

Description	No. of Securities		Average Cost		Fair Value
Middlefield Sustainable Infrastructure Dividend ETF*	1,100,000	$	11,236,263	$	10,516,000
EXCHANGE-TRADED FUND(S): 53.8%			11,236,263		10,516,000
Ferrovial SE	22,000		587,560		920,094
Union Pacific Corp.	3,300		408,565		893,513
Westshore Terminals Investment Corp.	29,000		628,900		905,960
INDUSTRIALS: 13.9%			1,625,025		2,719,567
Secure Energy Services Inc.	155,000		977,409		982,700
Tidewater Renewables Ltd.	50,000		644,495		421,000
Topaz Energy Corp.	45,000		757,858		928,350
ENERGY: 11.9%			2,379,762		2,332,050
Boardwalk Real Estate Investment Trust	14,000		449,120		870,660
Canadian Apartment Properties Real Estate Investment Trust	19,000		782,461		966,340
REAL ESTATE: 9.4%			1,231,581		1,837,000
Enbridge Inc.	18,000		765,537		886,320
PIPELINES: 4.5%			765,537		886,320
TransAlta Corp.	70,000		600,789		868,000
UTILITIES: 4.4%			600,789		868,000
TRANSACTION COSTS (NOTE 7)			(18,113)		-
TOTAL INVESTMENTS: 97.9%			17,820,844		19,158,937
CASH: 2.1%			411,655		411,655
Total Investment Portfolio, including Cash		$	18,232,499	$	19,570,592

* The Fund holds 22.3% of the net assets of Middlefield Sustainable Infrastructure Dividend ETF (the “Underlying Fund”). Middlefield Limited is the trustee and manager of both the Fund and the Underlying Fund.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

June 30, 2023 | UNAUDITED

1. Middlefield Global Infrastructure Fund

Middlefield Global Infrastructure Fund (the “Fund”) is an unincorporated open-ended unit trust established by Middlefield Limited, a corporation existing under the laws of the Province of Alberta, pursuant to a declaration of trust dated June 12, 2013. The Fund is authorized to issue series of units designated as Series A and F. Each series has a different management fee rate. The Fund first issued Series A units on June 12, 2013 and Series F units on June 19, 2013. The investment objective of the Fund is to maximize long-term total return by investing in a diversified portfolio of companies that own, develop, maintain or are involved in the global infrastructure sector. Middlefield Limited is the trustee and manager of the Fund (the “Manager”). The address of the Fund’s registered office is The Well, 8 Spadina Ave., Suite 3100, Toronto, Ontario. These financial statements, expressed in Canadian Dollars, were authorized for issuance by the board of directors of the Manager on August 21, 2023.

2. Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and in accordance with International Financial Reporting Standards 34 Interim Financial Reporting (“IAS 34”) as published by the International Accounting Standards Board (“IASB”) and as required by Canadian securities legislation and the Canadian Accounting Standards Board.

3. Summary of Significant Accounting Policies

A. Basis of Accounting

IFRS 9 *Financial Instruments* (“IFRS9”)

The Fund classifies and measures financial instruments in accordance with IFRS 9, which requires assets to be carried at amortized cost or fair value, with changes in fair value recognized in profit and loss or other comprehensive income, based on the entity’s business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The Fund’s financial assets and liabilities are classified at fair value through profit or loss (“FVTPL”) and amortized cost.

Classification, Measurement, Impairment and Hedge Accounting

The Fund classifies its investments in debt and equity securities based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. These financial assets are managed and their performance is evaluated on a fair value basis. The Fund also manages these financial assets with the objective of realizing cash flows through sales. Further, an option to irrevocably designate any equity securities at fair value through other comprehensive income (“FVOCI”) was chosen upon adoption. Consequently, these financial assets are mandatorily measured at FVTPL.

Financial assets or financial liabilities held for trading are those acquired principally for the purpose of selling or repurchasing in the near future or on initial recognition they are a part of a portfolio of identified financial instruments that the Fund manages together and has a recent actual pattern of short term profit taking. All derivatives and short positions are included in this category and mandatorily measured at FVTPL. The financial assets and liabilities measured at amortized cost include cash collateral posted on derivative positions, accrued income, due to and from brokers and other short term receivables and payables.

IFRS 9 uses the expected credit loss model (“ECL”), as the new impairment model for financial assets carried at amortized cost. The Fund’s financial assets measured at amortized cost consist of trade receivables with no financing component and which have maturities of less than 12 months, as such, it has chosen to apply the simplified ECL approach, whereby any loss allowance is recognized based on the lifetime of ECLs. Due to the high quality and short-term nature of the trade receivables, there are no expected credit losses associated with them and they are not considered impaired at the reporting dates.

The Fund does not apply general hedge accounting to any of its derivatives positions.

B. Financial Instruments

The Fund’s financial instruments may include: short-term investments, fixed income, equities, structured products including investment funds managed by the Manager, derivatives (collectively referred to as “investments”), cash, accounts receivable – portfolio securities sold, income and interest receivable, accounts receivable, subscriptions receivable, prepaid expenses, accounts payable – portfolio securities purchased, management fee payable, accounts payable and accrued liabilities, redemptions payable and distributions payable. The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund’s investments and derivative assets and liabilities are measured at fair value. The Fund’s Net Assets Attributable to Holders of Redeemable Units are measured at fair value. All other financial assets and liabilities are measured at amortized cost.

3. Summary of Significant Accounting Policies (continued)

B. Financial Instruments (continued)

Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders.

The Fund only offsets financial assets and financial liabilities if the Fund has a legally enforceable right to offset recognized amounts and either intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

C. Redeemable Units and Net Assets Attributable to Holders of Redeemable Units

The Fund has two series of redeemable units in issue: Series A and Series F. Both rank pari passu in all material respects and have the same terms and conditions other than the management fee rate, which is 2.0% for Series A and 1.0% for Series F.

Redeemable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV attributable to the unit class. The redeemable units are classified as financial liabilities and are measured at the redemption amounts.

Redeemable units are issued and redeemed based on the Fund's NAV per unit, calculated by dividing the net assets of the Fund, calculated in accordance with the Fund's Simplified Prospectus, by the number of redeemable units in issue. The Fund's Simplified Prospectus requires that investment positions are valued on the basis of the last traded market price for the purpose of determining the trading NAV per unit for subscriptions and redemptions. The financial assets and liabilities at fair value through profit or loss in the Statements of Financial Position are based on closing prices in accordance with IFRS.

Distributions are declared at the discretion of the Trustee and are distributed by the Fund. The Trustee has adopted a policy of declaring distributions monthly. The Trustee intends to distribute any excess income and capital gains annually in December such that the Fund will not have any liability for taxes (other than those that are immediately refundable). Distribution payments may be adjusted without notice at any time as market conditions change. If the Fund does not earn enough income and capital gains to meet the distributions, it may return capital to make up the difference. Distributions to holders of redeemable units are recognized in the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

Net assets are calculated for each series of units of the Fund. The net assets of a particular series of units are computed by calculating the value of the series' proportionate share of the assets and liabilities of the Fund common to all series. Management fees directly attributable to a series are charged to that series. Other expenses, investment income and realized and unrealized gains and losses on investments are allocated proportionately to each series based upon the relative net assets of each series.

D. Fair Value Measurement

The Fund's own credit risk and the credit risk of the counterparty are taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. Investments and futures contracts are valued at fair value using the policies described below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread.

In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Futures contracts are marked to market each valuation day according to the gain or loss that would have been realized if the contracts had been closed out. Gains or losses arising from futures contracts are recorded as unrealized gain (loss) on futures contracts and shown as an asset (liability) on the Statements of Financial Position until the contracts are closed out or expire, at which time the gains (losses) are realized.

3. Summary of Significant Accounting Policies (continued)

D. Fair Value Measurement (continued)

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

E. Investment Transactions and Income Recognition

Investment transactions are accounted for as of the trade date and any realized gains or losses from such transactions are calculated on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds. The change in the difference between fair value and average cost of the investments is recorded as an unrealized gain (loss) on investments. Income from investments is recognized on the ex-dividend or ex-distribution date. Interest income for distribution purposes shown on the Statements of Comprehensive Income represents the interest received on bank deposits by the Fund and, if the Fund holds fixed income investments, coupon interest accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight line basis. The interest income for distribution purposes is the tax basis of calculating the interest received and which is subject to tax. Income distributions received are treated consistently with dividends and interest and recorded in income in the Statements of Comprehensive Income.

F. Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units Per Unit

Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per unit in the Statements of Comprehensive Income represents the increase (decrease) in Net Assets Attributable to Holders of Redeemable Units for each series divided by the average units outstanding for each series during the period.

G. Income Taxes

The Fund qualifies as a mutual fund trust under the provisions of the *Income Tax Act* (Canada) and accordingly, is subject to tax on its income, including net realized capital gains in the taxation year, which is not paid or payable to its unitholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable. Accordingly, no provision for income taxes is required.

The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown separately in the Statements of Comprehensive Income.

Distributions received from investments in trust units that are treated as a return of capital for tax purposes are used to reduce the average cost of the underlying investments on the Schedule of Investment Portfolio.

H. Foreign Currency Translation

Foreign currency amounts are translated into Canadian dollars as follows: fair value of investments, forward currency contracts and other assets and liabilities, at the closing rate of exchange on each business day; income and expenses, and purchases, sales and settlements of investments, at the rate of exchange prevailing on the respective dates of such transactions.

I. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

Determination of Functional Currency

'Functional currency' is the currency of the primary economic environment in which the Fund operates. If indicators of the primary economic environment are mixed, then management uses its judgment to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events, and conditions.

The majority of the Fund's investments and transactions are denominated in Canadian dollars. Investor subscriptions and redemptions are also received and paid in Canadian dollars. Accordingly, management has determined that the functional currency of the Fund is Canadian dollars.

3. Summary of Significant Accounting Policies (continued)

I. Critical Accounting Estimates and Judgments (continued)

Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 4 for further information about the fair value measurement of the Fund’s financial instruments.

J. Securities Lending

The Fund may enter into securities lending transactions. These transactions involve the temporary exchange of securities as collateral with a commitment to deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on securities held as collateral. Income earned from these transactions is recognized on an accrual basis and is included in the Statements of Comprehensive Income.

4. Fair Value Disclosure

The Fund classifies fair value measurements within a hierarchy which 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 fair value of the Fund’s financial instruments is classified into levels using the following fair value hierarchy:

Level 1	Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
Level 3	Inputs that are unobservable and where there is little, if any, market activity. Inputs into the determination of fair value require significant management judgement or estimation.

The Fund’s investments at fair value as at June 30, 2023 and December 31, 2022 trade in active markets and are therefore classified as Level 1.

All fair value measurements are recurring. The carrying values of cash, income and interest receivable, subscriptions receivable, accounts payable and accrued liabilities, management fee payable, redemptions payable and the Fund’s obligation for Net Assets Attributable to Holders of Redeemable Units approximate their fair values due to their short-term nature.

Fair values are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The Fund’s equity positions, which include any investments in other investment funds managed by the Manager, are classified as Level 1 when the security is actively traded and a reliable price is observable.

The Fund’s policy is to recognize transfers in and out of the fair value hierarchy levels as at the end of the reporting period for transfers between Levels 1 and 2 and as at the date of the transfer for transfers in and out of Level 3. No transfers between levels occurred during the period ended June 30, 2023 or the year ended December 31, 2022.

5. Financial Risk Management

In the normal course of business the Fund is exposed to a variety of financial risks: price risk, foreign exchange rate risk, liquidity risk, credit risk and concentration risk. The Fund's primary risk management objective is to protect earnings and cash flow and, ultimately, unitholder value. Risk management strategies, as discussed below, are designed and implemented to ensure the Fund's risks and related exposures are consistent with its objectives and risk tolerance.

Most of the Fund's risks are derived from its investments. The value of the investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, commodity prices, the market and company news related to specific securities held by the Fund. The investments are made in accordance with the Fund's risk management policies. The policies establish investment objectives, strategies, criteria and restrictions. The objectives of these policies are to identify and mitigate investment risk through a disciplined investment process and the appropriate structuring of each transaction.

A. Price Risk

Price risk is the risk that changes in the prices of the Fund's investments will affect the Fund's income or the value of its financial instruments. The Fund's price risk is driven primarily by volatility in commodity and equity prices. Rising commodity and equity prices may increase the price of an investment while declining commodity and equity prices may have the opposite effect. The Fund mitigates price risk by making investing decisions based upon various factors, including comprehensive fundamental analysis prepared by industry experts to forecast future commodity and equity price movements. The Fund's market positions are monitored on a daily basis by the portfolio manager and regular financial reviews of publicly available information related to the Fund's investments are performed to ensure that any risks are within established levels of risk tolerance. The Fund is exposed to price risk through the following financial instrument:

	June 30, 2023	December 31, 2022
Investments at FVTPL	$ 19,158,937	$ 20,483,290

Based on the above exposure at June 30, 2023, a 10% increase or decrease in the prices of the Fund's investments would result in a $1,915,894 (December 31, 2022 – $2,048,329) increase or decrease in net assets of the Fund, with all other factors held constant.

B. Foreign Exchange Rate Risk

Foreign exchange rate risk describes the impact on the underlying value of financial instruments due to foreign exchange rate movements. The Canadian dollar is the Fund's functional and presentation currency. Foreign investments, commodities, cash, receivables and payables denominated in foreign currencies are affected by changes in the value of the Canadian dollar compared to foreign currencies. As a result, financial assets may depreciate/appreciate in the short-term due to the strengthening/ weakening of the Canadian dollar against other currencies, and the reverse would be true for financial liabilities. The Fund's exposure to foreign exchange risk relates primarily to its investment in securities, which are denominated in various foreign currencies. The Fund has not hedged its exposure to currency fluctuations; however, it closely monitors relevant foreign exchange currency movements. The Fund is exposed to foreign exchange rate risk through the following financial instruments denominated in various foreign currencies:

As at June 30, 2023

Currency	Investments at FVTPL	Cash	Income and Interest Receivable	Total Exposure
U.S. Dollar	$ 893,513	$ 17,316	$ -	$ 910,829
European Euro	920,094	-	-	920,094
Total	$ 1,813,607	$ 17,316	$ -	$ 1,830,923

As at December 31, 2022

Currency	Investments at FVTPL	Cash	Income and Interest Receivable	Total Exposure
U.S. Dollar	$ 3,637,656	$ 20,468	$ -	$ 3,658,124
European Euro	1,061,576	-	-	1,061,576
Total	$ 4,699,232	$ 20,468	$ -	$ 4,719,700

Based on the above exposure at June 30, 2023, a 10% increase or decrease in the Canadian dollar against the respective currencies would result in a $183,092 (December 31, 2022 – $471,970) decrease or increase in net assets of the Fund, with all other factors held constant.

5. Financial Risk Management (continued)

C. Liquidity Risk

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligations when due. The Fund is exposed to daily cash redemptions of its units. The units of the Fund are issued and redeemed on demand at the NAV per unit. All other obligations of the Fund are due within one year. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily sold. The Fund retains sufficient cash to maintain liquidity and comply with liquidity requirements as outlined by securities legislation and its investment policies.

The Fund may invest in securities that are not traded on a public stock exchange or that may be illiquid. As a result, the Fund may not be able to dispose of these investments in a timely manner. The Fund mitigates this risk through active management, which involves detailed analysis of such private entities to ensure they are financially sound and would be attractive to potential investors if a sale is necessary. The Fund's investment policies and securities legislation limit the amount invested in illiquid securities and these limits are monitored. The Fund did not hold any illiquid securities as at June 30, 2023 or December 31, 2022.

The tables below present the Fund's financial liabilities based on the remaining periods to the contractual maturity date. The amounts in the tables reflect the contractual undiscounted cash flows.

As at June 30, 2023

Financial Liabilities	Less than 1 Month	1 to 3 Months	3 Months to 1 Year	Total
Accounts Payable and Accrued Liabilities	$ 47,792	$ -	$ -	$ 47,792
Management Fee Payable	20,103	-	-	20,103
Redemptions Payable	387	-	-	387
Net Assets Attributable to Holders of Redeemable Units	19,594,988	-	-	19,594,988
Total	$ 19,663,270	$ -	$ -	$ 19,663,270

As at December 31, 2022

Financial Liabilities	Less than 1 Month	1 to 3 Months	3 Months to 1 Year	Total
Accounts Payable and Accrued Liabilities	$ 44,021	$ -	$ -	$ 44,021
Management Fee Payable	32,671	-	-	32,671
Redemptions Payable	15,412	-	-	15,412
Net Assets Attributable to Holders of Redeemable Units	21,102,027	-	-	21,102,027
Total	$ 21,194,131	$ -	$ -	$ 21,194,131

D. Credit Risk

Credit risk represents the financial loss that the Fund would experience if a counterparty to a financial instrument failed to meet its obligations to the Fund. The Fund is exposed to credit risk on its debt instruments, derivative assets, cash and cash equivalents and other short term trade receivables. The Fund measures credit risk and lifetime ECLs related to the trade receivables using historical analysis and forward looking information in determining the ECL. The carrying amounts of financial assets represent the maximum credit exposure. All transactions executed by the Fund in listed securities are settled upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase only once the broker has received the securities. The trade will fail if either party fails to meet its obligations. There is no significant credit risk related to the Fund's receivables.

The Fund has established various internal controls to help mitigate credit risk, including prior approval of all investments by the advisor whose mandate includes conducting financial and other assessments of these investments on a regular basis. The Fund has also implemented policies which ensure that investments can only be made with counterparties that have a minimum acceptable credit rating.

5. Financial Risk Management (continued)

E. Concentration Risk

The Fund is exposed to the possible risk inherent in the concentration of the investment portfolio in a small number of industries or investment sectors. The Manager moderates this risk through careful selection of securities in several investment sectors. At June 30, 2023 and December 31, 2022, the percentages of the Fund's total net assets invested in each investment sector were as follows:

	As a % of Net Assets	
Sector	June 30, 2023	December 31, 2022
Exchange-Traded Fund(s)	53.7	23.9
Industrials	13.9	12.1
Energy	11.9	10.5
Real Estate	9.4	12.4
Pipelines	4.5	12.9
Utilities	4.4	21.3
Technology	-	3.9
Total	97.8	97.0

6. Unitholders' Equity

The capital of the Fund is divided into Series A and Series F with each series having an unlimited number of securities. Changes in issued mutual fund units of the Fund are summarized as follows:

	Number of Units – Series A	
	June 30, 2023	December 31, 2022
Units Outstanding at Beginning of Period	1,392,649	1,585,822
Units Issued	11,985	22,157
Reinvested Distributions	34,932	70,127
Total	46,917	92,284
Units Redeemed	(130,985)	(285,457)
Net Increase (Decrease)	(84,068)	(193,173)
Units Outstanding at End of Period	1,308,581	1,392,649

	Number of Units – Series F	
	June 30, 2023	December 31, 2022
Units Outstanding at Beginning of Period	686,731	597,941
Units Issued	8,196	104,774
Reinvested Distributions	10,002	17,381
Total	18,198	122,155
Units Redeemed	(22,447)	(33,365)
Net Increase (Decrease)	(4,249)	88,790
Units Outstanding at End of Period	682,482	686,731

The average number of Series A and Series F units outstanding during the period ended June 30, 2023 were 1,365,516 and 683,880 (June 30, 2022 – 1,517,479 and 629,885), respectively. These numbers were used to calculate the respective Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per unit.

7. Related Party Transactions

A. Management Fee

The Manager provides investment and administrative services to the Fund. In consideration for such services the Manager receives a monthly fee in arrears based on each series of units as a percentage of the average daily NAV of the series. The management fee for Series A is 2.0% per annum and for Series F is 1.0% per annum. For the period ended June 30, 2023, management fees before the absorption of expenses amounted to $0.2 million (June 30, 2022 - $0.2 million).

7. Related Party Transactions (continued)

B. Transaction Costs

Brokerage commissions and other transaction costs paid in connection with securities transactions during the period ended June 30, 2023 amounted to $19,110 (June 30, 2022 – $3,520). Included in this amount is $6,962 (June 30, 2022 – $1,440) in brokerage commissions that were paid to Middlefield Capital Corporation ("MCC"), a company under common control with the Manager. All brokerage commissions paid by the Fund to MCC were at or below market rates. Brokerage commissions and other transaction costs are expensed and recorded in the Statements of Comprehensive Income.

C. Other Expenses

The Fund is responsible for the payment of all expenses relating to the operation of the Fund and the carrying on of its business, including among other things, audit, legal fees and expenses, custodian and transfer agency fees and costs relating to securityholder reporting. Certain services in the normal course of business may be provided by the Manager or an affiliate of the Manager in accordance with National Instrument 81-107 *Independent Review Committee for Investment Funds*. Examples of these services include accounting review and administration services, the preparation and filing of tax returns, the preparation and filing of financial statements and related reports and maintaining and updating the Fund's website. In aggregate, these fees amounted to approximately $6,050 throughout the period. In addition, the Fund would be responsible for reimbursing the Manager for any reasonable out of pocket expenses incurred on the Fund's behalf. Common expenses incurred by the Fund are allocated among the series on a pro-rata basis among all units of all series.

D. Distribution Receivable from Underlying Investments

As disclosed in the Schedule of Investment Portfolio, the Fund invests in investment funds managed by the Manager. Distributions receivable from the investment in these Funds, if any, would be included in the amount of Income and Interest Receivable shown on the Statements of Financial Position. As at June 30, 2023, distributions receivable from investments managed by the Manager amounted to $45,837 (December 31,2022 - $20,835).

8. Securities Lending

The Fund had entered into a securities lending program with its custodian, RBC Investor Services Trust, in order to earn additional revenue. The aggregate market value of all securities loaned by the Fund will not exceed 50% of the fair value of the assets of the Fund. The Fund will receive collateral of at least 105% of the fair value of the securities on loan. Collateral held is generally comprised of cash and securities of, or guaranteed by, the Government of Canada or a province thereof, or the United States government or its agencies. Securities lending income reported in the Statements of Comprehensive Income is net of a securities lending charge which the Fund's custodian, RBC Investor Services Trust, is entitled to receive. The Fund did not earn any securities lending income during the periods ended June 30, 2023 and June 30, 2022.

On June 20, 2023, the Fund terminated its securities lending agreement with RBC Investor Services Trust and exited the program. There were no securities loaned or collateral held at the time of termination or as at December 31, 2023.

9. Capital Management

The Fund's capital is its Net Assets Attributable to Holders of Redeemable Units, representing unitholders' equity. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders, maximize unitholder value and maintain financial strength.

The Fund is not subject to any externally imposed capital requirements. The Fund's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2022.

10. Loss Carryforwards

At December 31, 2022, the Fund had capital losses of $375,627 (December 31, 2021 – $1,122,135) available for carryforward for tax purposes. The capital losses can be carried forward indefinitely. The Fund did not have any non-capital losses in 2022 and 2021.

11. Distributions to Unitholders

Distributions to Unitholders from the Fund are made to minimize income taxes payable by the Fund. Accordingly, distributions will vary from the accounting income reflected in these financial statements. Distributions of the Fund, unless otherwise specified by the unitholder, are automatically reinvested in additional units of the Fund at the NAV without sales charge. Distributions per Series A unit and Series F unit of $0.30 (June 30, 2022 – $0.30) were paid to unitholders of the Fund during the period ended June 30, 2023.

Distributions to Unitholders – Series A	June 30, 2023	June 30, 2022
From Net Investment Income		
Total	$ 157,461	$ 35,969
Per Unit	0.12	0.02
From Capital Gains		
Total	241,912	415,499
Per Unit	0.18	0.28

Distributions to Unitholders – Series F	June 30, 2023	June 30, 2022
From Net Investment Income		
Total	$ 130,593	$ 59,329
Per Unit	0.19	0.09
From Capital Gains		
Total	74,226	130,651
Per Unit	0.11	0.21

MIDDLEFIELD FUNDS FAMILY |

EXCHANGE - TRADED FUNDS (ETFs)	TSX Stock Symbol
• Middlefield Healthcare Dividend ETF	MHCD
• Middlefield Innovation Dividend ETF	MINN
• Middlefield Sustainable Global Dividend ETF	MDIV
• Middlefield Sustainable Infrastructure Dividend ETF	MINF
• Middlefield Real Estate Dividend ETF	MREL
• Middlefield U.S. Equity Dividend ETF	MUSA

TSX-LISTED FUNDS	
• E Split Corp.	ENS | ENS.PR.A
• International Clean Power Dividend Fund	CLP.UN
• Middlefield Global Real Asset Fund	RA.UN
• MINT Income Fund	MID.UN
• Real Estate Split Corp.	RS | RS.PR.A
• Sustainable Innovation & Health Dividend Fund	SIH.UN
• Sustainable Real Estate Dividend Fund	MSRE.UN

MIDDLEFIELD MUTUAL FUNDS TRUST FUNDS Series A Units	Fund Code FE/LL/DSC
• Middlefield Healthcare Dividend Fund	MID 325/327/330
• INDEXPLUS Income Fund	MID 435/437/440
• Middlefield Global Infrastructure Fund	MID 510/519/520

Series F Units	
• Middlefield Healthcare Dividend Fund	MID 326
• INDEXPLUS Income Fund	MID 436
• Middlefield Global Infrastructure Fund	MID 501

MIDDLEFIELD MUTUAL FUNDS CORPORATE CLASS FUNDS Series A Shares	Fund Code FE/LL/DSC
• Middlefield Canadian Dividend Growers Class	MID 148/449/450
• Middlefield Global Agriculture Class	MID 161/163/166
• Middlefield Global Dividend Growers Class	MID 181/183/186
• Middlefield Real Estate Dividend Class	MID 600/649/650
• Middlefield Global Energy Transition Class	MID 265
• Middlefield Innovation Dividend Class	MID 925
• Middlefield High Interest Income Class	MID 400/424/425
• Middlefield Income Plus Class	MID 800/849/850
• Middlefield U.S. Equity Dividend Class	MID 710/719/720

Series F Shares	
• Middlefield Canadian Dividend Growers Class	MID 149
• Middlefield Global Agriculture Class	MID 162
• Middlefield Global Dividend Growers Class	MID 182
• Middlefield Real Estate Dividend Class	MID 601
• Middlefield Global Energy Transition Class	MID 266
• Middlefield Innovation Dividend Class	MID 926
• Middlefield Income Plus Class	MID 801
• Middlefield U.S. Equity Dividend Class	MID 701

RESOURCE FUNDS

- Discovery 2022 Short Duration LP
- MRF 2022 Resource Limited Partnership
- MRF 2023 Resource Limited Partnership (commenced February 23, 2023)

INTERNATIONAL FUNDS	
• Middlefield Canadian Income PCC	London UK Stock Exchange (LSE) Symbol:MCT

MIDDLEFIELD

INVESTMENTS THAT WORK FOR YOU

TORONTO, CANADA
The Well
8 Spadina Avenue
Suite 3100
Toronto, Ontario M5V 0S8
Telephone (416) 362-0714

SAN FRANCISCO, USA
Middlefield Financial Services Inc
50 California Street, Suite 1500
San Francisco, California USA
94111
Telephone (415) 835-1308
Fax (415) 835-1350

LONDON, ENGLAND
Middlefield International Limited
288 Bishopsgate London,
England EC2M 4QP
Telephone (0207) 814-6644
Fax (0207) 814-6611

www.middlefield.com
invest@middlefield.com
(888) 890-1868