BLOOM FUNDS

MANAGED BY BLOOM INVESTMENT COUNSEL, INC.

BLOOM SELECT INCOME FUND

INTERIM REPORT FOR THE SIX MONTHS ENDED JUNE 30, 2022

BLB.UN

FORWARD-LOOKING STATEMENTS

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

MANAGEMENT REPORT OF FUND PERFORMANCE

This interim management report of fund performance for Bloom Select Income Fund (the "Fund") contains financial information but does not contain the interim or audited annual financial statements of the Fund. The interim financial statements follow this report. You may obtain a copy of any of the Fund's annual or interim reports, at no cost, by calling 1-855-BLOOM18 (1-855-256-6618) or by sending a request to Unitholder Information, Bloom Investment Counsel, Inc., Yonge Eglinton Centre, Suite 1710, 2300 Yonge Street, Toronto, Ontario, M4P 1E4, or by visiting our website at **www.bloomfunds.ca** or SEDAR at **www.sedar.com**. Unitholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, Independent Review Committee's report, or quarterly portfolio disclosure.

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

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

THE FUND

Bloom Select Income Fund is a closed-end investment trust managed by Bloom Investment Counsel, Inc. ("Bloom" or the "Manager"). Bloom provides administrative services to the Fund and actively manages the Fund's portfolio. The units of the Fund trade on the Toronto Stock Exchange ("TSX") under the symbol BLB.UN. The units of the Fund are RRSP, DPSP, RRIF, RESP, RDSP and TFSA eligible. This Fund has a distribution reinvestment plan ("DRIP") allowing unitholders to automatically reinvest their monthly distributions in additional units of the Fund.

RECENT DEVELOPMENTS

Inflation, interest rates and recession concerns

Canadian investment markets continue to display concerns about rising inflation and the possibility of a recession. Associated concerns around interest rate hikes were realized when the Bank of Canada raised rates as expected in Spring of 2022, with further increases expected. The Fund's focus on low volatility dividend paying Canadian equities places it in a position to respond to these events, given that dividends often keep pace with inflation and many dividend paying companies are able to raise prices to respond to increasing costs. These matters are further discussed in the Investment Manager's Report below.

Russian invasion of Ukraine

In February 2022, Russian forces invaded Ukraine, resulting in an armed conflict and economic sanctions on Russia. Price volatility, trading restrictions, including the potential for extended halting of Russian market trading, and general default risk has impacted Russian securities. Disruption of Russian and Ukrainian exports, most notably energy and grain, has contributed to global energy and food price increases. The conflict may continue to contribute to an increase in short-term market volatility, with European markets being most at risk. It is uncertain how long the conflict, economic sanctions and market instability will continue and whether they will escalate further. The manager is actively monitoring the situation.

COVID-19

The ongoing effects of the global pandemic caused by the COVID-19, a novel coronavirus, and new infection waves caused by virus variants continue to negatively impact companies worldwide, including adverse effects on supply chains and labor supply in many sectors. Successful vaccination initiatives in some regions contrast with vaccine hesitancy and vaccine undersupply in others, and uncertainty around the spread and effects of new virus variants continues. The pandemic continues to have the potential to have an adverse effect on global stock markets for an indeterminate length of time. This could affect the valuation of the Fund's investment portfolio and consequently the net asset value and net asset value per unit of the Fund. The negative effects on the Fund of this coronavirus and any other epidemics and pandemics that may arise in the future could be complex and cannot necessarily be foreseen at the present time. The Manager continues to monitor events as they unfold and has successfully implemented an enhanced business continuity plan to ensure the seamless operation of the Manager in its roles as manager and portfolio advisor of the Fund during periods of pandemic related lockdown and work-from-home as well as its current hybrid work arrangement. This plan has facilitated uninterrupted work and communication as well as the Manager's interaction with the Fund's various service providers.

INVESTMENT MANAGER

BLOOM
INVESTMENT COUNSEL, INC.

For over 35 years, the Manager has been managing segregated investment portfolios for wealthy individuals, foundations, corporations, institutions and trusts. In addition to its conventional investment management business, the Manager currently manages specialty high-income equity portfolios, comprised of dividend paying common equity securities, income trusts and real estate investment trusts, for three TSX listed closed end funds.

INVESTMENT MANAGER'S REPORT

JULY 1, 2022

Canadian Economy

Those who still believed that inflation was transitory were proven very wrong this quarter. Inflation has clearly become a serious global issue with even Switzerland surprising markets with an aggressive rate increase in June, its first such rate hike in 15 years. The effect from the reopening of the global economy post-COVID has now been tempered by the Russian-Ukrainian conflict and high levels of inflation. The biggest question remaining is whether the Canadian economy will be able to avoid a recession and experience a soft landing.

Annual headline inflation rose to 7.7% year-over-year in May. The 1.4% increase in May marked the fastest pace of inflation growth since 1983. A 12% increase in gasoline prices in May helped drive the increase in inflation; however, one cannot ignore the fact that inflation excluding energy was still close to 6% in May and excluding food and energy it was up just over 5%, almost double the Bank of Canada's (BoC) target range. Data suggests that this could be a sign of a possible inflationary spiral – increased wages in a tight labor market combined with increased prices for goods as an offset to dampen the impact on profitability. It is a little early to tell whether inflation peaked in the second quarter as June inflation figures are expected to show further increases with continued gas price increases. However, in a slowing global economy, consumer prices should be dampened in the back half of the year with global commodity prices falling.

Canadian real GDP in the first quarter came in well below expectations at 3.1% compared to an expected 5%. While the Canadian economy continues to look more resilient than other global economies, it is expected that growth for the year will be in the 3-4% range. Domestic demand in Q1 was exceptionally strong; however, international trade negatively impacted growth in the quarter. With a continued tight labor market, employees were able to benefit from strong wage growth. Employee compensation rose an annualized 16.1% representing the largest quarterly increase in over 40 years.

Housing starts and building permits surprised to the upside in May with supply remaining tight. While certain commodity prices such as lumber and metal have declined from their peak, they remain elevated on a historical basis. It is expected that further interest rate hikes will have a negative impact on demand in the resale market, providing for some moderation in the coming year with housing starts slowing in 2023.

Canadian retail sales were slightly higher than expected in April with sales increasing 0.9% compared to the 0.8% expected. Interestingly, sales of building materials and supplies were down 4.3% in April marking their first decline of the year. Auto sales declined 0.3% in the month, their third consecutive month of decline. Early indications for May are for retail sales to increase 1.6%; however, it is expected that over the next few months retail sales will moderate due to an impact from both increasing prices (inflation) and higher interest rates.

Canadian employment remains strong with May figures representing a fourth consecutive monthly increase. The strongest growth comes from Alberta with Quebec, British Columbia and Ontario experiencing steady employment figures in May. A continuation of a recovery in certain pandemic sensitive sectors remained with increased employment in accommodation and food services, wholesale and retail trade and recreation. With May's figures, the unemployment rate dropped very slightly from 5.2% to 5.1% – the lowest jobless rate in over 40 years. However, with inflation impacting wages we could witness limited hiring in the coming months as employers are faced with the combination of increased wages and input costs. A marked economic slowdown or recession would also cause unemployment to rise.

It came as no surprise that the BoC raised its key overnight rate by 50 basis points to 1.00% in mid-April. That day both New Zealand and Canada raised their rates by 50 basis points marking the first such hikes by any major central bank in around twenty years. The BoC followed this with another 50 basis point hike to 1.50% less than a month later. This is a clear indication that rates were left too low for too long. A more hawkish statement followed this increase indicating that the BoC is willing to continue along this path of rate increases in order to curb inflation back down to its 2-3% target. However, with the U.S Federal Reserve (Fed) acting more aggressively with its most recent rate increase of 75 basis points in June, a similar rate hike by the Fed and by the BoC is by no means off the table in July. This could be followed by additional 50 basis point hikes in September.

The issue the BoC faces is the lag in available data on the impact of its monetary policy decisions. There is roughly a 2-month lag between such decisions and receiving key economic indicators such as inflation and GDP data, making its September decision on rate hikes even more challenging with the full effects of the BoC's actions possibly not being felt until the beginning of next year. If this is the case, we could actually see rate cuts towards the end of next year and into 2024.

Canadian Investment Markets

After hitting an all-time high in late March, the S&P/TSX Index has since declined 14.6%. Markets are of the expectation that economic growth will slow, an expectation which is reinforced by a drop in a wide variety of commodity prices including oil. With the Canadian market's strong reliance on commodities, in addition to rising bond yields and early signs of slowing earnings growth, this pullback combined with the weaker global growth outlook has somewhat dampened the outlook in general for the Canadian market.

For markets to resume their upward trend, more confidence is needed that inflation has peaked. With multiple rate hikes expected for the remainder of the year, confidence is not quite at the level needed to translate into renewed strength in equities. In addition, increased confidence that both the Canadian and U.S. economies can avoid a recession in the near future would be a positive catalyst for markets.

Both the BoC and the Fed have a difficult task ahead of them to avoid a recession and instead to orchestrate a soft landing. Historically the Fed has managed to do this in each of 1965, 1984 and 1994 and Canada had a similar outcome in 1984/85 and in 1994/95. At this point Bloom is not convinced that a recession will be totally avoided.

While the market remains volatile, it is important to remember that over the long term, stocks have always been and continue to be the best asset class to help investment portfolios tolerate such high levels of inflation. Bloom continues to believe that dividend paying companies, especially ones that have the ability to offset rising costs with price increases to protect their margins, have a strong competitive advantage.

During the quarter, the S&P/TSX Composite Total Return Index declined 13.2% with the S&P/TSX High Dividend Total Return Index declining 9.2%. Year-to-date, the S&P/TSX Composite Total Return Index declined 9.9% and the S&P/TSX High Dividend Total Return Index increased 1.3% driven by the substantial increase in the Energy sector during the first quarter.

Growth stocks remain "out of favor" with continued increases in inflation and the expectation for more rate hikes over the back half of the year both impacting the valuation of these stocks. This was once again evident by the 30.7% decline in the Information Technology sector in the quarter. The Health Care sector remained under pressure in the quarter (-49.6%) largely driven by weakness in the cannabis sector. Materials, which are typically linked to the economic cycle, was the third worst performing sector in the quarter.

The top performing sectors in the quarter were: Energy (-1.9%), Utilities (-3.5%) and Consumer Staples (-6.2%). The Energy sector significantly benefitted earlier in the year from supply constraints due to the Eastern European conflict, however, now the focus has shifted more to concerns surrounding inflation and a possible recession. Given its more defensive nature, the Utilities sector performed relatively well in the quarter. Consumer Staples, while generally viewed as a more defensive sector during an economic downturn, can be negatively impacted by inflation as consumers become more price conscious.

During the quarter the Canadian bond market continued to be negatively impacted by higher inflation and expectations of even higher inflation and interest rate hikes to come. Returns for the last quarter again underperformed those of the S&P/TSX Composite Total Return Index for the long-term (30-year) Government of Canada Bonds which returned -14.7% and have now for the year-to-date delivered an astounding -26.7%. However, shorter duration bonds while providing negative returns did manage to outperform that index. Mid-term (10-year) bonds provided a -6.2% return for the quarter, while short-term (5-year) bonds returned -2.5 for the same period. 90-Day Treasury Bills returned 0.1% for the last quarter as they have for the year-to-date.

The Canadian dollar against its U.S. counterpart has been depreciating for most of this year. At current levels it is close to its weakest levels since late 2020 and this trend is expected to remain until it is evident that there is some relief in U.S. inflation. The Canadian dollar ended the second quarter 3.1% weaker than it began against the U.S. dollar. In the last twelve months the Loonie has depreciated 4.0% against the Greenback.

Fund Performance

Remembering that the Fund is mandated as a low beta Fund, for the first six months of the year, the Fund outperformed the S&P/TSX Composite Total Return Index but underperformed the S&P/TSX High Dividend Total Return Index. This underperformance is largely due to the Fund's lack of oil and gas investments, all of which are high beta after their extreme volatility over the last five or more years. For the first half of the year, positions in Intertape Polymer Group Inc., LifeWorks Inc. and Boralex Inc. were the greatest contributors to performance. The strongest performing sectors for the Fund were Real Estate, Consumer Discretionary and Financials.

Outlook

Despite these volatile markets our investment philosophy remains the same with a focus on quality dividend companies in sectors that Bloom believes can withstand the current economic environment. Bloom remains sensitive to valuations despite some stocks on the TSX experiencing material declines from their highs. Now, more than ever, both prudence and patience are required – both of which are basic tenets of our long-term investment philosophy. With close to 40 years of investment experience, our firm has successfully managed investment portfolios through all market cycles and Bloom remains cautious yet optimistic for the remainder of the year.

RESULTS OF OPERATIONS

Distributions

During the six months ended June 30, 2022 distributions totaled $0.25 per unit. The 2022 distribution reflects a monthly rate per unit of $0.041666, in accordance with the targeted distribution rate of 5% per annum on the subscription price of $10 per unit as disclosed in the Fund's Prospectus. Since inception on April 20, 2012 the Fund has paid total cash and reinvested distributions of $5.098602 per unit.

Decrease in Net Assets from Operations

The Fund's net investment loss was $0.4 million ($0.31 per unit) for the six months ended June 30, 2022, arising from average portfolio investments during the period of $11.4 million. The loss was comprised primarily of $1.2 million negative net change in unrealized appreciation/depreciation offset by $0.6 million in realized gains on sale of investments and $0.2 million in dividend and distribution income during the period.

Expenses were $0.2 million ($0.14 per unit) for the period, the major components being management fees of $87,584 and other administrative expenses of $43,035.

Net Asset Value

The net asset value per unit of the Fund was $8.96 at June 30, 2022, down by 7.2% from $9.66 at December 31, 2021. The aggregate net asset value of the Fund decreased to $12.0 million at June 30, 2022 from $12.9 million at December 31, 2021, due primarily to net investment loss of $0.4 million, cash distributions to unitholders of $0.3 million (net of reinvested distributions) and expenses of $0.2 million.

Liquidity

To provide liquidity for unitholders, units of the Fund are listed on the TSX under the symbol BLB.UN.

Investment Portfolio

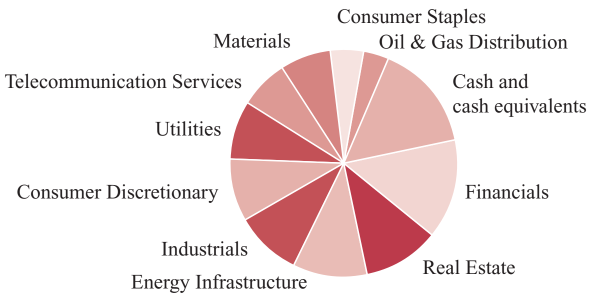
The Fund has established a portfolio comprised primarily of Canadian equities, income trusts and real estate investment trusts (REITs), each of which was selected to achieve the investment objectives of the Fund. The investment objectives of the Fund include the requirement that the Fund only invests in stocks with a beta (measurement of volatility) of less than 1.0 at the time of purchase, which affects the selection of investments.

Over the six months to June 30, 2022 the Fund's investment in the Financial Services sector has decreased from 18.1% of the portfolio (equities, cash and cash equivalents) to 14.1%, due to the trimming of all positions at favorable prices for realized gains, along with price decreases in all positions. The Fund's investment in the Industrials sector decreased from 12.0% of the portfolio to 9.4%, mainly due to the sale of the Fund's holdings in Intertape Polymer Group Inc. for a substantial gain. The Consumer Discretionary and Real Estate sectors both decreased as a percentage of the portfolio due to price decreases across the board. The Fund's investment in the Utilities sector increased from 6.8% to 8.3% due to the price strength of Boralex Inc. The Manager has retained the cash proceeds of security sales during the period in response to substantial market volatility and uncertainty, resulting in an increase in cash and cash equivalents from 7.5% to 15.5%.

The Fund had net unrealized depreciation of $0.6 million in its portfolio as at June 30, 2022, with significant unrealized losses of $1.1 million in the Materials sector in which valuations have yet to recover from the effects of the COVID 19 pandemic, offset by unrealized gains in each of the Utilities, Financial Services and Consumer Staples sectors.

The Fund had net realized gains of $0.6 million, primarily from the sale of the Fund's holding in Intertape Polymer Group Inc. with smaller gains from the trimming of several positions, most notably in Bank of Nova Scotia and TD Bank Group.

Portfolio Sectors



Sector	Value (thousands)	% of Total
Cash and cash equivalents	$ 1,872	15.5%
Financials	1,705	14.1%
Real Estate	1,309	10.9%
Energy Infrastructure	1,284	10.6%
Industrials	1,138	9.4%
Consumer Discretionary	1,073	8.9%
Utilities	1,002	8.3%
Telecommunication Services	849	7.0%
Materials	839	7.0%
Consumer Staples	578	4.8%
Oil & Gas Distribution	416	3.5%
Total	**$ 12,066**	**100.0%**

RELATED PARTY TRANSACTIONS

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

Administration and Investment Management Fees

Pursuant to the Fund's Declaration of Trust, the Manager provides investment management and administrative services to the Fund, for which it is paid an annual management fee of 1.25% per annum of the net asset value of the Fund, calculated weekly and payable monthly in arrears, plus applicable taxes.

The management fee is intended to compensate the Manager for providing portfolio advisory and certain administrative services to the Fund. During the six months ended June 30, 2022, management fees amounted to $87,584.

Services received by the Fund in consideration of the management fee, as an approximate percentage of the management fee, comprise portfolio advisory services (65%) and administrative services (35%). Administrative services include: appointment and monitoring of service providers; administration related to the payment of fund expenses and the deposit of fund receipts; administrative services provided to the Independent Review Committee ("IRC"); review and filing of tax returns; preparation, dissemination and filing of annual and interim reports; maintenance of proxy voting records and the voting of proxies; preparation of quarterly portfolio summaries; regulatory reporting; and maintenance of the information on the Fund's website.

Other expenses recharged to the Fund

On an ongoing basis the Manager pays on behalf of the Fund, and subsequently recharges to the Fund, certain of these expenses of the Fund. For the six months ended June 30, 2022 the Fund expensed IRC fees of $19,505, filing fees of $932, wire service fees of $611, and unitholder information costs of $3,737, which were paid and recharged by the Manager.

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

INDEPENDENT REVIEW COMMITTEE

Prior to the Fund's launch, the IRC for the Fund was established pursuant to NI 81-107 and became operational. The IRC provides independent oversight regarding actual and perceived conflicts of interest involving the Fund and performs all other functions required of an independent review committee under NI 81-107. Costs and expenses, including the remuneration of IRC members, the costs of legal and other advisors to, and legal and other services for, IRC members, and insurance costs are chargeable to the Fund. As at June 30, 2022 the IRC consisted of three members, all of whom are independent of the Manager.

The Manager has received three standing instructions from the IRC with respect to related party transactions:

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

The Decision to Re-open a Fund
The standing instruction requires that the Manager follow its policy and procedures concerning fund re-openings, which will, in the IRC's opinion, result in a fair and reasonable result for the Fund. The Manager will report any instances of reliance on the standing instruction to the IRC, but has not yet relied on this standing instruction.

Redemption of Units Held or Controlled by Access Persons
The standing instruction requires that the Manager follow its policy and procedures concerning the redemption of units held or controlled by Access Persons of the Manager, which will, in the IRC's opinion, result in a fair and reasonable result for the Fund. Access Persons include employees, their spouses, life partners, and family members (including minor and adult children) sharing a home with an employee, as well as any others for whose accounts the employee can exercise control. The Manager will report any instances of reliance on the standing instruction to the IRC, but has not yet relied on this standing instruction.

PAST PERFORMANCE

The following chart and table show the past performance of the Fund. Past performance does not necessarily indicate how the Fund will perform in the future. The information shown is based on net asset value per unit and assumes that distributions made by the Fund in the period were reinvested at net asset value per unit in additional units of the Fund.

All past performance for periods prior to the Fund's merger with Bloom Income & Growth Canadian Fund on October 23, 2015 are for the Fund only.

Annual Compound Returns
The following table shows the Fund's annual compound return for the one, three, five and ten year periods ended June 30, 2022 and the period since inception, compared with the S&P/TSX Composite Index ("Comp Index"), S&P/TSX Composite Total Return Index ("Comp TR Index"), the S&P/TSX Composite High Dividend Index ("HD Index") and the S&P/TSX Composite High Dividend Total Return Index ("HD TR Index") (together the "Indices"). The Comp Index tracks the performance, on a market weight basis and a total return basis, of a broad index of large-capitalization issuers listed on the TSX, including common stocks, REITs and income trust units, and is an appropriate benchmark as the Fund invests in such common stocks, REITs and income trusts. The HD Index is a more narrowly-based strategy index consisting of 50 to 75 stocks selected from the Comp Index focusing on divided income, and is included as it reflects the Fund's strategy of investing in dividend paying stocks.

Since the Fund is actively managed, the sector weightings differ from those of the Indices. The Fund's portfolio contains predominantly high dividend paying securities, whereas the Indices do not necessarily focus on this type of investment. Also, the investment objectives of the Fund dictate that the Fund invest only in stocks displaying a low volatility at the time of purchase, and therefore the Fund is unable to purchase a significant number of stocks included in the Indices. As well, the Fund may invest in issuers that are not included in the Indices. Further, the Indices are calculated without the deduction of management fees and fund expenses, whereas the performance of the Fund is calculated after deducting such fees and expenses. For these reasons it is not expected that the Fund's performance will mirror those of the Indices.

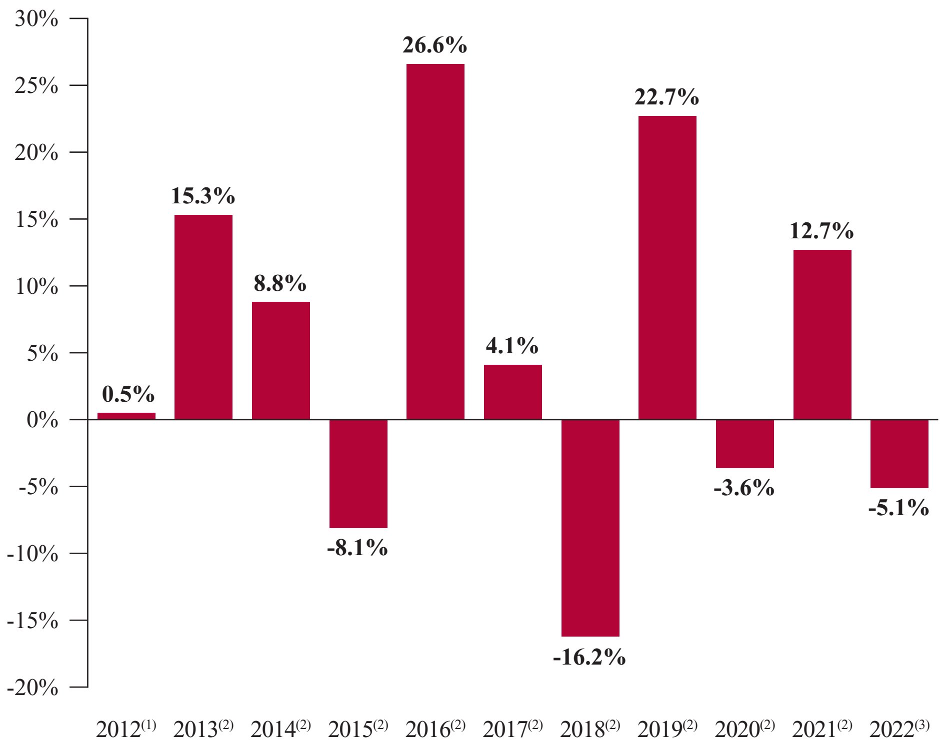
	One year	Three years	Five years	Ten years	Since inception[1]
Bloom Select Income Fund (net of fees and expenses)	-5.1%	3.1%	1.7%	5.4%	4.8%
S&P/TSX Composite Index	-6.5%	4.8%	4.4%	5.0%	4.4%
S&P/TSX Composite Total Return Index	-3.9%	8.0%	7.6%	8.2%	7.6%
S&P/TSX Composite High Dividend Index	5.1%	6.2%	3.4%	3.0%	2.5%
S&P/TSX Composite High Dividend Total Return Index	9.8%	11.6%	8.8%	7.4%	7.9%

[1] Period from April 20, 2012 (commencement of operations) to June 30, 2022

The Fund outperformed the Comp Index for the one year and ten year periods ended June 30, 2022 and the period since inception, and outperformed the HD Index for the ten year period ended June 30, 2022 and the period since inception, after taking into account the expenses of the Fund. For other periods and Indices, the Fund underperformed, after taking into account the expenses of the Fund. In addition to the effect of the deduction of management fees and expenses inherent in the Fund's performance figures, this reflects differences in individual portfolio selections between the Fund's portfolio and the Indices within each of the sectors, which result in different average sector returns. It may also reflect differences in average sector weightings between the Fund's portfolio and the Indices over these periods.

Year-by-Year Returns Net of Fees

The bar chart shows the Fund's performance for each fiscal period since inception. It shows, in percentage terms, how an investment held on the first day of the fiscal period would have changed by the last day of the fiscal period.



[1] Period from April 20, 2012 (commencement of operations) to December 31, 2012
[2] Year from January 1 to December 31 of the year indicated
[3] Six months from January 1 to June 30, 2022

FINANCIAL HIGHLIGHTS

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

Net Assets Per Unit[(1)]

For the fiscal period ended	June 30, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Net assets per unit, beginning of period[(1)(2)]	$ 9.66	$ 9.05	$ 9.96	$ 8.55	$ 10.74
Increase (decrease) from operations:[(2)]					
Total revenue	0.16	0.34	0.32	0.38	0.41
Total expenses	(0.14)	(0.27)	(0.25)	(0.25)	(0.24)
Net realized gains (losses)	0.46	0.25	0.77	(0.59)	0.70
Net unrealized gains (losses)	(0.93)	0.79	(1.39)	2.34	(2.43)
Total increase (decrease) in net assets from operations[(1)]	$ (0.45)	$ 1.11	$ (0.55)	$ 1.88	$ (1.61)
Distributions to unitholders[(2)(3)]					
From net investment income	—	—	(0.02)	(0.07)	(0.12)
From return of capital	(0.25)	(0.50)	(0.48)	(0.43)	(0.38)
Total distributions to unitholders	$ (0.25)	$ (0.50)	$ (0.50)	$ (0.50)	$ (0.50)
Net assets per unit, end of period[(1)(2)]	$ 8.96	$ 9.66	$ 9.05	$ 9.96	$ 8.55

(1) This information is derived from the Fund's financial statements to which International Financial Reporting Standards apply.
(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time. The increase in net assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.
(3) $32,568 (2021: $68,241; 2020: $36,210; 2019: $69,426; 2018: $72,515) of distributions were reinvested in units under the Fund's distribution reinvestment plan ("DRIP"). The remainder of the distributions were paid in cash.

Ratios and Supplemental Data

For the fiscal period ended	June 30, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Net asset value (000s)(1)	$ 12,023	$ 12,937	$ 12,313	$ 15,581	$ 14,496
Number of units outstanding(1)	1,342,390	1,338,996	1,360,130	1,564,031	1,694,719
Management expense ratio ("MER")(2)	3.04%	2.75%	2.82%	2.61%	2.33%
Trading expense ratio(3)	0.03%	0.02%	0.06%	0.04%	0.04%
Portfolio turnover rate(4)	2.66%	6.60%	17.78%	9.64%	6.94%
Net Asset Value per Unit(1)	$ 8.96	$ 9.66	$ 9.05	$ 9.96	$ 8.55
Closing market price(1)	$ 8.88	$ 9.18	$ 8.71	$ 9.51	$ 8.39

(1) As at the period end date shown

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

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

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

Management Expense Ratio

The MER of the Fund was 3.04% for the six months ended June 30, 2022, up from an MER of 2.75% in the year ended December 31, 2021. The increase is primarily due to the lower average net asset value in the six months ended June 30, 2022 compared to the year ended December 31, 2021.

SUMMARY OF INVESTMENT PORTFOLIO

As at June 30, 2022

Total Net Assets (including Cash, Short Term Investments and Other Net Assets)	$12,022,893

Portfolio Composition	% of Portfolio	% of Total Net Assets
Cash and cash equivalents	15.5%	15.5%
Financials	14.1%	14.2%
Real Estate	10.9%	10.9%
Energy Infrastructure	10.6%	10.7%
Industrials	9.4%	9.5%
Consumer Discretionary	8.9%	8.9%
Utilities	8.3%	8.3%
Telecommunication Services	7.0%	7.0%
Materials	7.0%	7.0%
Consumer Staples	4.8%	4.8%
Oil & Gas Distribution	3.5%	3.5%
Total Investment Portfolio	100.0%	100.3%
Other Non-Debt Net Assets (Liabilities)		(0.3%)
Total Net Assets		100.0%

Top 25 Holdings*	% of Portfolio	% of Total Net Assets
Cash and cash equivalents	15.5%	15.5%
Premium Brands Holdings Corporation	4.8%	4.8%
Boralex Inc.	4.7%	4.7%
Park Lawn Corporation	4.3%	4.3%
Rogers Communications Inc. Class B	4.1%	4.2%
LifeWorks Inc.	3.9%	3.9%
Enbridge Inc.	3.8%	3.8%
Northland Power Inc.	3.7%	3.7%
TD Bank Group	3.6%	3.7%
Bank of Nova Scotia	3.6%	3.6%
Gibson Energy Inc.	3.5%	3.5%
Sun Life Financial Inc.	3.5%	3.5%
Parkland Corporation	3.4%	3.5%
Manulife Financial Corporation	3.4%	3.4%
Choice Properties Real Estate Income Trust	3.3%	3.3%
Keyera Corp.	3.3%	3.3%
Superior Plus Corp.	3.3%	3.3%
Transcontinental Inc. Class A	3.2%	3.2%
Chemtrade Logistics Income Fund	3.0%	3.0%
TELUS Corporation	2.9%	2.9%
Noranda Income Fund Class A	2.8%	2.8%
Canadian Apartment Properties Real Estate Income Trust	2.8%	2.8%
Allied Properties REIT	2.5%	2.5%
Aecon Group Inc.	2.3%	2.3%
Altus Group Limited	2.2%	2.2%

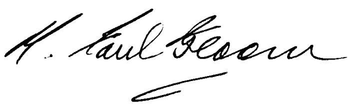
*The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available on the Fund's website at **www.bloomfunds.ca** within 60 days of each quarter end.*

* Securities legislation requires the Fund's top 25 holdings to be presented. However, the Fund currently has less than 25 holdings.

NOTICE

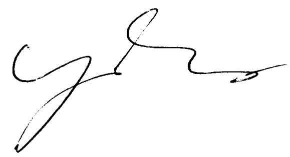
The accompanying unaudited financial statements of Bloom Select Income Fund (the "Fund") have been prepared by Bloom Investment Counsel, Inc. (the "Manager" of the Fund) and approved by the Board of Directors of the Manager. The statements have not been reviewed by the external auditors of the Fund.

Signed



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

Signed



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

August 8, 2022

STATEMENTS OF FINANCIAL POSITION (unaudited)

As at	June 30, 2022	December 31, 2021
Assets		
Current assets		
Investments at fair value	**$ 10,194,492**	$ 12,023,462
Cash and cash equivalents (note 5)	**1,871,844**	978,209
Dividends and distributions receivable	**42,098**	50,335
Prepaid expenses and other assets (note 10)	**22,048**	12,514
Total assets	**12,130,482**	13,064,520
Liabilities		
Current liabilities		
Distributions payable to unitholders	**55,932**	55,801
Accrued liabilities (note 10)	**51,657**	72,175
Total liabilities	**107,589**	127,976
Unitholders' equity (note 6)		
Unitholders' capital	**7,093,939**	7,396,608
Retained earnings	**4,928,954**	5,539,936
Net assets representing unitholders' equity	**$ 12,022,893**	$ 12,936,544
Net assets per unit	**$ 8.96**	$ 9.66

The accompanying notes are an integral part of these financial statements

STATEMENTS OF COMPREHENSIVE INCOME (unaudited)

For the six months ended		June 30, 2022		June 30, 2021
Income				
Net gain (loss) on investments				
Dividend and distribution income	$	**206,461**	$	228,065
Interest for distribution purposes		**5,421**		727
Net realized gain on sale of investments		**612,441**		52,069
Net change in unrealized appreciation or depreciation on investments		**(1,241,165)**		1,458,591
Total net gain (loss) on investments		**(416,842)**		1,739,452
Other income				
Foreign exchange gain (loss) on cash		**(2)**		181
Total other income (loss)		**(2)**		181
Total income (loss)		**(416,844)**		1,739,633
Expenses (note 9)				
Management fees (note 10)		**87,584**		90,196
Independent Review Committee fees (note 10)		**19,505**		16,476
Audit fees		**15,569**		14,376
Unitholder reporting costs (note 10)		**13,541**		14,154
Custody fees		**11,264**		7,150
Legal fees		**2,011**		2,195
Portfolio transaction costs (note 11)		**1,629**		1,519
Other administrative expenses (note 10)		**43,035**		38,812
Total expenses		**194,138**		184,878
Increase (decrease) in net assets from operations	**$**	**(610,982)**	$	1,554,755
Weighted average units outstanding during the period		**1,340,703**		1,362,029
Increase (Decrease) in net assets from operations per unit (note 3(i))	**$**	**(0.46)**	$	1.14

STATEMENTS OF CHANGES IN NET ASSETS (unaudited)

For the six months ended June 30, 2022 and 2021		Unitholders' capital		Retained earnings		Total
Balance at January 1, 2021	$	8,166,264	$	4,147,159	$	12,313,423
Increase in net assets from operations		–		1,554,755		1,554,755
Distributions to unitholders (note 8)		(340,574)		–		(340,574)
Reinvestment of distributions (note 8)		34,592		–		34,592
Balance at June 30, 2021	$	7,860,282	$	5,701,914	$	13,562,196
Balance at January 1, 2022	**$**	**7,396,608**	**$**	**5,539,936**	**$**	**12,936,544**
Decrease in net assets from operations		**–**		**(610,982)**		**(610,982)**
Distributions to unitholders (note 8)		**(335,237)**		**–**		**(335,237)**
Reinvestment of distributions (note 8)		**32,568**		**–**		**32,568**
Balance at June 30, 2022	**$**	**7,093,939**	**$**	**4,928,954**	**$**	**12,022,893**

The accompanying notes are an integral part of these financial statements

STATEMENTS OF CASH FLOWS (unaudited)

For the six months ended	June 30, 2022	June 30, 2021
Cash flows from operating activities		
Increase (decrease) in net assets from operations	**$ (610,982)**	$ 1,554,755
Adjustment for:		
Net realized gain on sale of investments	**(612,441)**	(52,069)
Net change in unrealized appreciation or depreciation on investments	**1,241,165**	(1,458,591)
(Increase) decrease in dividends and distributions receivable	**8,237**	(2,520)
(Increase) in prepaid expenses and other assets	**(9,534)**	(7,386)
(Decrease) in accrued liabilities	**(20,518)**	(9,628)
Operating cash flows:		
Purchases of investments	**(301,549)**	(794,138)
Proceeds from sale of investments	**1,492,324**	315,557
Return of capital received	**8,177**	8,762
Capital gains distributions received	**1,294**	1,101
Net cash from (used in) operating activities	**1,196,173**	(444,157)
Cash flows used in financing activities		
Distributions paid to holders of redeemable units, net of reinvestments	**(302,538)**	(305,841)
Net cash used in financing activities	**(302,538)**	(305,841)
Net (decrease) increase in cash and cash equivalents	**893,635**	(749,998)
Cash and cash equivalents at beginning of period (note 5)	**978,209**	1,358,018
Cash and cash equivalents at end of period (note 5)	**$ 1,871,844**	$ 608,020
Interest received	**$ 2,353**	$ 976
Dividends and distributions received	**$ 214,698**	$ 225,545

The accompanying notes are an integral part of these financial statements

SCHEDULE OF INVESTMENT PORTFOLIO (unaudited)

As at June 30, 2022		Cost	Fair Value
No. of Units/ Shares			
	Canadian Equities		
	Consumer Discretionary		
15,700	Cineplex Inc.	$ 665,991	$ 169,717
15,100	Park Lawn Corporation	332,780	514,004
25,400	Transcontinental Inc. Class 'A'	404,848	388,874
		1,403,619	**1,072,595**
	Consumer Staples		
6,200	Premium Brands Holdings Corporation	232,396	578,398
		232,396	**578,398**
	Energy Infrastructure		
8,500	Enbridge Inc.	382,176	462,060
17,700	Gibson Energy Inc.	345,722	421,968
13,600	Keyera Corp.	410,148	399,840
		1,138,046	**1,283,868**
	Financial Services		
5,700	Bank of Nova Scotia	322,565	434,226
18,500	Manulife Financial Corporation	463,368	412,920
7,100	Sun Life Financial Inc.	278,071	418,758
5,200	TD Bank Group	223,112	438,932
		1,287,084	**1,704,836**
	Industrial		
21,000	Aecon Group Inc.	416,434	275,730
15,200	LifeWorks Inc.	405,714	469,376
34,600	Superior Plus Corp.	316,284	393,056
		1,138,432	**1,138,162**
	Materials		
5,900	Barrick Gold Corp.	196,211	134,284
45,200	Chemtrade Logistics Income Fund	638,927	366,572
270,800	Noranda Income Fund Class 'A'	1,098,923	338,500
		1,934,061	**839,356**
	Oil & Gas Distribution		
11,900	Parkland Corporation	308,461	416,024
		308,461	**416,024**
	Real Estate		
9,200	Allied Properties REIT	226,436	305,348
6,000	Altus Group Ltd.	45,233	267,540
7,500	Canadian Apartment Properties REIT	356,753	336,150
28,500	Choice Properties REIT	351,087	400,425
		979,509	**1,309,463**
	Telecommunication Services		
8,100	Rogers Communications Inc., Class 'B'	497,219	499,608
12,200	TELUS Corp.	308,754	349,774
		805,973	**849,382**
	Utilities		
13,100	Boralex Inc.	192,961	561,728
11,500	Northland Power Inc.	192,393	440,680
		385,354	**1,002,408**
	Total Canadian equities	**$ 9,612,935**	**$ 10,194,492**
	Embedded broker commissions	**(13,278)**	
	Total investments	**$ 9,599,657**	**$ 10,194,492**

NOTES TO FINANCIAL STATEMENTS (unaudited)
June 30, 2022

1. GENERAL INFORMATION
Bloom Select Income Fund (the "Fund") is a closed-end investment trust established under the laws of the province of Ontario pursuant to a declaration of trust dated March 22, 2012. The declaration of trust was amended and restated as of October 23, 2015 at the time of the Fund's merger with Bloom Income & Growth Canadian Fund. The Fund is listed on the Toronto Stock Exchange ("TSX") under the symbol BLB.UN and commenced operations on April 20, 2012. The address of the Fund's principal place of business is 150 York Street, Toronto, Ontario. The Fund invests in equity securities of Canadian companies. The financial statements are presented in Canadian dollars.

The Fund's investment objectives are to provide unitholders with an investment in an actively managed portfolio comprised primarily of Canadian equities (common shares, real estate investment trusts (REITs) and income trusts) that exhibit low volatility at the time of investment, monthly cash distributions that have a large component of Canadian eligible dividends, and the opportunity for capital appreciation.

The manager and trustee of the Fund is Bloom Investment Counsel, Inc. (the "Manager"). CIBC Mellon Trust Company is the custodian of the Fund and CIBC Mellon Global Securities Services Company is the administrator of the Fund.

These financial statements were authorized for issue by the Manager on August 8, 2022.

2. BASIS OF PRESENTATION
These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Statements.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

b) Fair value measurement
Fair value is the price that would be received on the sale of 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 traded in active markets (which includes the Fund's investments) is based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for investment valuation where that price falls between the latest bid and ask prices. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

NOTES TO FINANCIAL STATEMENTS (unaudited)

June 30, 2022 (continued)

The Fund classifies fair value measurements within a hierarchy as described in note 14. The Fund recognizes transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

c) Impairment of financial assets at amortized cost

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

d) Derecognition of financial assets and liabilities

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

The Fund may enter into securities lending transactions in which it lends investments to counterparties, but since the Fund retains all of the risks and rewards of ownership, the investments are not derecognized. Any collateral pledged by the counterparty to a securities lending transactions is not recognized as the Fund does not accept the risks and rewards of ownership of that collateral. The Fund's participation in securities lending has been suspended and may be reactivated by the Manager at any time (note 12).

e) Offsetting

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

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

f) Cash and cash equivalents

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

g) Investment transactions and income recognition

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

h) Foreign exchange

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

i) Increase (decrease) in net assets from operations per unit

Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations for the period divided by the weighted average number of units outstanding during the period.

j) Distributions

Income and net realized capital gains (reduced by loss carryforwards, if any) earned by the Fund are distributed to unitholders through a regular monthly distribution. Any excess income and net realized capital gains not so distributed

NOTES TO FINANCIAL STATEMENTS (unaudited)

June 30, 2022 (continued)

during the year are distributed in December of each year to unitholders. Any excess of regular monthly distributions over actual income and net realized capital gains is characterized as a return of capital. Any distributable net realized capital gains in a year may be allocated for tax purposes to redeeming unitholders in that year, as permitted by the Fund's declaration of trust.

k) Portfolio transaction costs

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

l) Classification of redeemable units

The Manager is required by IAS 32, *Financial Instruments: Presentation* ("IAS 32") to assess whether the redeemable units represent a liability of the Fund or equity of the Fund. The Fund does not have any obligation, other than on redemption of the units, to deliver cash or other financial instruments to the unitholders, since the Fund may pay its regular monthly distributions and any distributions it is required by its Declaration of Trust to make sure that it does not become liable for income tax, in units rather than cash. Total expected cash flows attributable to the units over their lives are based substantially on net income, the change in net assets or the change in the fair value of assets over that time. As a result of these facts, the redeemable units meet the criteria of IAS 32 to be classified as equity.

m) Net assets per unit

The net assets per unit is calculated by dividing the net assets representing unitholders' equity by the total number of units outstanding at the end of the period.

4. TAXATION

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada) and accordingly is subject to income tax on its income, including net realized capital gains, which is not paid or payable to the Fund's unitholders, less any income that can be retained by the use of tax credits available to the Fund. The Fund's taxation year end is December 31. No provision for income taxes has been recorded in the accompanying financial statements as the Fund has determined that it is in substance not taxable since all net income and net realized capital gains of the Fund for the year are distributed to the unitholders to the extent necessary to reduce income taxes payable to nil.

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

Non-capital loss carry forwards may be applied against future years' taxable income, and may be carried forward for 20 years from the year in which they are realized. As at June 30, 2022, the Fund had no non-capital losses carried forward (December 31, 2021 – nil). Capital losses incurred by the Fund may be carried forward indefinitely to apply against capital gains realized in future years. As at June 30, 2022, the Fund had $830,910 capital losses available for carryforward (December 31, 2021 – $830,910).

5. CASH AND CASH EQUIVALENTS

The Fund's cash and cash equivalents as at June 30, 2022 and December 31, 2021 comprised the following:

	June 30, 2022	December 31, 2021
Cash	**$ 122,689**	$178,265
Cash equivalents	**1,749,155**	799,944
	$1,871,844	$978,209

Cash equivalents at June 30, 2022 comprised:

Type	**Issuer**	**DBRS, credit rating of issuer**	**Par Value $**	**Maturity Date**	**Coupon**	**Fair value $**
Banker's acceptance	RBC	AA/R-1/Stable	1,200,000	July 4, 2022	1.39%	1,199,864
Banker's acceptance	TD	AA/R-1/Stable	550,000	July 27, 2022	1.81%	549,291

NOTES TO FINANCIAL STATEMENTS (unaudited)
June 30, 2022 (continued)

Cash equivalents at December 31, 2021 comprised:

Type	Issuer	DBRS, credit rating of issuer	Par Value $	Maturity Date	Coupon	Fair value $
Banker's acceptance	HSBC	AA/R-1/Stable	800,000	January 31, 2022	0.21%	799,944

6. UNITHOLDERS' EQUITY

The Fund is authorized to issue an unlimited number of a single class of transferable and redeemable units each of which represents an equal, undivided interest in the Net Asset Value ("NAV") of the Fund. Each unit entitles the holder to one vote and to participate equally with respect to any and all distributions made by the Fund.

Units may be surrendered for redemption annually at the option of the unitholder during the period from September 15 until 5.00 p.m. (Toronto time) on the last business day in September, subject to the Fund's right to suspend redemptions in certain circumstances. Units properly surrendered for redemption will be redeemed on the second last business day in October of each year (the Annual Redemption Date) and the redeeming unitholder will receive a redemption price per unit equal to 100% of the NAV per unit as determined on the Annual Redemption Date, less any costs and expenses incurred by the Fund in order to fund such redemption. For the purpose of calculating the NAV used in connection with the redemption of units, the value of the securities held by the Fund will be equal to the weighted average trading price of such securities over the last three business days preceding the Annual Redemption Date.

If a significant number of units are redeemed, the trading liquidity of the units could be significantly reduced. In addition, the expenses of the Fund would be spread among fewer units resulting in a potentially lower distribution per unit. The Manager has the ability to terminate the Fund if, in its opinion, it would be in the best interests of the unitholders to do so. The Manager may also suspend the redemption of units in certain circumstances.

The 2021 annual redemption took place on October 28, 2021 and consisted of 28,235 units for redemption proceeds of $279,281 payable on November 18, 2021.

Unit transactions of the Fund for the six months ended June 30, 2022 and 2021 were as follows:

	June 30, 2022	June 30, 2021
Units outstanding at beginning of period	**1,338,996**	1,360,130
Reinvestment of distributions	**3,394**	3,652
Units outstanding at end of period	**1,342,390**	1,363,782

The closing market price of the Fund's units on June 30, 2022 was $8.88 (December 31, 2021 – $9.18).

7. CAPITAL MANAGEMENT

For operating purposes, redeemable units issued and outstanding are considered to be the capital of the Fund. As at June 30, 2022 the Fund's capital therefore comprised net assets of $12,022,893 (December 31, 2021 – $12,936,544). The Fund's objectives in managing its capital are to provide unitholders with monthly cash distributions and the opportunity to participate in gains in the value of the investment portfolio. The Fund manages its capital taking into consideration the risk characteristics of its holdings. In order to manage its capital structure, the Fund may adjust the amount of distributions paid to unitholders, return capital to unitholders, increase or decrease its level of borrowing if applicable, or purchase units for cancellation.

8. DISTRIBUTIONS TO UNITHOLDERS

Distributions, as declared on the Fund's behalf by the Manager, are made on a monthly basis to unitholders of record on the last business day of each month, payable by the fifteenth business day of the following month. For the six months ended June 30, 2022, the Fund declared total distributions of $0.25 (2021 – $0.25) per unit, which amounted to $335,237 (2021 – $340,574). Under the Fund's distribution reinvestment plan ("DRIP"), unitholders may elect to reinvest monthly distributions in additional units of the Fund which are issued from treasury. In the six months ended June 30, 2022, distributions of $32,568 were reinvested in 3,394 units of the Fund which were issued from treasury (six months ended June 30, 2021 – distributions of $34,592 were reinvested in 3,652 units of the Fund which were issued from treasury).

In conjunction with the annual redemption described in note 6, the Fund made no distributions of capital gains to redeeming unitholders.

NOTES TO FINANCIAL STATEMENTS (unaudited)

June 30, 2022 (continued)

9. EXPENSES

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

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

10. RELATED PARTY TRANSACTIONS

In accordance with the Declaration of Trust, the Manager is entitled to an annual management fee of 1.25% per annum of the NAV of the Fund, calculated weekly and paid monthly in arrears, plus applicable taxes.

For the six months ended June 30, 2022 the Fund expensed management fees of $87,584 (2021 – $90,196). As at June 30, 2022, the Fund had management fees payable of $13,994 (December 31, 2021 – $14,502) included in accrued liabilities.

On an ongoing basis, the Manager pays on behalf of the Fund, and subsequently recharges to the Fund, certain expenses of the Fund. For the six months ended June 30, 2022 the Fund expensed the following amounts which were paid and recharged by the Manager: IRC fees of $19,505 (2021 – $16,476), filing fees of $932 (2021 – $538) and wire service fees of $611 (2021 – $381) (both included in 'unitholder reporting costs'), and unitholder information costs of $3,737 (2021 – $2,276) and premiums for insurance coverage for members of the IRC of $nil (2021 – $536) (both included in 'other administrative expenses'). As at June 30, 2022 the Fund owed the Manager $918 for recharged expenses (December 31, 2021 – $505) included in accrued liabilities.

Units held by the Manager and its affiliates represent 14.0% of the units outstanding as at June 30, 2022 (December 31, 2021 – 14.0%).

11. PORTFOLIO TRANSACTION COSTS

During the six months ended June 30, 2022 the Fund paid $1,629 (2021 – $1,519) in brokerage commissions and other portfolio transaction costs. There are no soft dollar commissions.

12. SECURITIES LENDING

The Fund has entered into a securities lending program with CIBC Mellon Global Securities Services Company, (as administrator), which has a DBRS credit rating of AA / R-1 / Stable and a Moody's credit rating of A1 / P-1 / Stable, and BNY Mellon (as lending agent), which has a DBRS credit rating of AA / R-1 / Stable and a Moody's credit rating of Aa1 / P-1 / Stable. The Manager suspended the Fund's participation in the securities lending program during the six months ended June 30, 2020, but can reactivate the Fund's participation at any time.

Securities lending transactions involve the temporary exchange of securities for collateral with a commitment to deliver the same securities and collateral on a specified future date. Income is earned in the form of fees paid by the counterparty and is recognised on the accrual basis in the Statements of Comprehensive Income. The Fund retains the risks and rewards of ownership of the securities loaned, and therefore these securities do not qualify for derecognition and therefore remain in the Statements of Financial Position of the Fund during the loan period. The risks and rewards of ownership include any gains or losses in market value of the securities, the ability to sell the securities, and any dividends or distributions on the securities for which the ex-dividend dates fall within the loan period.

The Fund receives collateral of at least 102% of the value of securities on loan. Should a borrower default on a securities loan, the Fund is entitled to the associated collateral. The Fund is not exposed to the risks and rewards of ownership of the collateral therefore the collateral is not included in the Fund's Statements of Financial Position. Collateral may comprise: debt that is issued or guaranteed by the Government of Canada or a province thereof, by the Government of the United States of America or of one of the states of the United States of America or of a sovereign state of the G7 countries, or of Austria, Belgium, Denmark, Finland, the Netherlands, Spain, Sweden, Switzerland, or a permitted supranational agency

NOTES TO FINANCIAL STATEMENTS (unaudited)
June 30, 2022 (continued)

of Organisation for Economic Coordination and Development countries; debt that is issued or guaranteed by a financial institution whose short-term debt is rated A-1 or R-1 or equivalent and includes bankers acceptances, banker bearer deposit notes, or irrevocable letters of credit; corporate debt or corporate commercial paper; or convertible securities.

There were no securities loaned or collateral pledged under securities lending transactions as at June 30, 2022 and December 31, 2021.

There was no securities lending income for the six months ended June 30, 2022 and 2021.

13. RISK ASSOCIATED WITH FINANCIAL INSTRUMENTS

a) Risk factors
The Fund's investment activities expose it to a variety of risks associated with financial instruments.

The Manager seeks to maximize the returns derived for the level of risk to which the Fund is exposed and to minimize potential adverse effects on the Fund's performance by employing professional and experienced portfolio managers, by daily monitoring of the Fund's positions and market events, and by diversifying the investment portfolio within the constraints of the investment objectives and restrictions. The Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment objectives and restrictions, internal guidelines and securities regulations.

b) Credit risk
The Fund is exposed to credit risk, which is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The carrying amount of the Fund's assets represents the maximum credit risk exposure as at June 30, 2022 and December 31, 2021.

All transactions in listed securities are settled upon delivery using approved brokers. The trade will fail if either party fails to meet its obligations. 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 once the securities have been received by the broker.

The Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities at a future date. All counterparties are subject to a stringent examination of creditworthiness which includes a financial assessment of the company, a review of qualitative factors including management and corporate governance, comparison to similar companies and consideration of ratings assigned by external ratings agencies, and the value of collateral must be at least 102% of the fair value of the securities loaned. Therefore credit risk associated with any such transactions is considered minimal. The Fund's participation in securities lending has been suspended and may be reactivated by the Manager at any time (note 12).

The Fund limits its exposure to credit loss by dealing with counterparties, including the lending agent and the issuers of short-term debt instruments, of high credit quality (see notes 5 and 12). To maximize the credit quality of its investments, the Fund's Manager performs ongoing credit evaluations based upon factors surrounding the credit risk of counterparties, historical trends and other information. Given that the Fund is primarily invested in equities, credit risk is not considered significant.

c) Market risk and other price risk
Market risk is the possibility that investments experience losses due to factors that affect the overall performance of the financial markets. The current global pandemic caused by the outbreak of COVID 19 respiratory disease has impacted global stock markets, including stock valuations, supply chains, labor supply and market volatility. The current conflict in Ukraine has also impacted global stock markets, primarily in the oil and gas and food related sectors. In general, war and occupation, terrorism and related geopolitical risks or other factors including global health risks or pandemics may in the future lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets. Those events could also have an acute effect on individual issuers or related groups of issuers. These risks could also adversely affect securities markets, inflation and other factors relating to the securities held in the Fund's portfolio.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from market risk, interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. The Manager aims to moderate this risk through a careful

NOTES TO FINANCIAL STATEMENTS (unaudited)

June 30, 2022 (continued)

selection and diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy. The Fund's investment objectives include the requirement that its portfolio securities must exhibit low price volatility at the time of purchase, which may further reduce other price risk. The maximum risk of loss resulting from financial instruments is equivalent to their fair value.

The Fund is exposed to market risk and other price risk from its investment in common equities, REITs, and income trusts. As at June 30, 2022, had the prices of these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately $1,019,449 (December 31, 2021 – $1,202,346) or 8.5% (December 31, 2021 – 9.3% of net assets). In practice, the actual results may differ and the impact could be material.

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities and its redeemable units. The Fund is exposed to liquidity risk through the annual redemption of its units, because there may be insufficient trade volumes in the markets for the securities of the Fund or because the securities may be subject to legal or contractual restrictions on their resale. The Fund receives notice of at least 22 business days prior to the date of redemption of units and has up to 15 business days after the redemption date to settle the redemptions, which provides the Manager time to liquidate securities to fund the redemptions, although there remains a risk that the required funds cannot be obtained. All of the liabilities of the Fund mature in six months or less. 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 disposed of. The Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity; therefore, the liquidity risk for the Fund is considered minimal.

e) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to interest rate risk on its short-term debt instruments. Fluctuations in interest rates have a direct effect on the Fund's ability to earn interest income. As at June 30, 2022 and December 31, 2021, the Fund had no significant exposure to interest rate risk due to the short term nature of its short-term debt instruments, which had maturities of less than three months.

f) Currency risk

Currency risk arises on financial instruments denominated in foreign currencies. Fluctuations in foreign exchange rates impact the valuation of assets and liabilities denominated in foreign currencies. As at June 30, 2022 and December 31, 2021, the Fund had no direct exposure to currency risk since none of its financial instruments were denominated in foreign currencies.

g) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk, expressed in terms of percentage of net assets invested by sector, as at June 30, 2022 and December 31, 2021:

Market Segment	**June 30, 2022**	December 31, 2021
Consumer Discretionary	**8.9%**	10.5%
Consumer Staples	**4.8%**	4.7%
Energy Infrastructure	**10.7%**	10.3%
Financials	**14.2%**	18.2%
Industrials	**9.5%**	12.0%
Materials	**7.0%**	6.5%
Oil & Gas Distribution	**3.5%**	3.2%
Real Estate	**10.9%**	13.2%
Telecommunication Services	**7.0%**	7.4%
Utilities	**8.3%**	6.9%

NOTES TO FINANCIAL STATEMENTS (unaudited)
June 30, 2022 (continued)

14. FAIR VALUE HIERARCHY

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

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

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

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

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The following fair value hierarchy table presents information about the Fund's financial instruments measured at fair value as at June 30, 2022 and December 31, 2021:

June 30, 2022

	Level 1	Level 2	Level 3	Total
Equities	**$ 10,194,492**	**$ –**	**$ –**	**10,194,492**
	$ 10,194,492	**$ –**	**$ –**	**$ 10,194,492**

December 31, 2021

	Level 1	Level 2	Level 3	Total
Equities	$ 12,023,462	$ –	$ –	$ 12,023,462
	$ 12,023,462	$ –	$ –	$ 12,023,462

There were no transfers between the levels during the periods ended June 30, 2022 and December 31, 2021

Corporate Information

Independent Review Committee

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

Lea M. Hill,
BCom, FCSI

Cameron Goodnough,
BCom, LLB, MBA

Directors and Officers of Bloom Investment Counsel, Inc.

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

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

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

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

Kevin G. Willis, MBA, CFA
Vice President

Trustee

Bloom Investment Counsel, Inc.

Custodian

CIBC Mellon Trust Company

Auditor

PricewaterhouseCoopers LLP,
Chartered Professional Accountants

Website

www.bloomfunds.ca

Mailing Address
Yonge Eglinton Centre, Suite 1710
2300 Yonge Street
Toronto, Ontario, M4P 1E4

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