



**Tech Achievers Growth & Income Fund**  
Interim Management Report of Fund Performance

June 30, 2016

The Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure, can be obtained at your request, and at no cost, by calling us at 1-866-998-8298; by writing to us at Harvest Portfolios Group, 710 Dorval Drive, Suite 209, Oakville, Ontario, L6K 3V7; by visiting our website at [www.harvestportfolios.com](http://www.harvestportfolios.com); or on SEDAR at [www.sedar.com](http://www.sedar.com).

# Tech Achievers Growth & Income Fund

## CORPORATE OVERVIEW

Harvest Portfolios Group Inc. (“Harvest”) is a Canadian Investment Manager focused on unique income generating investment products. Harvest was founded in 2009 and is focused on developing investment products that follow three investment criteria:

1. Clear investment objectives
2. Transparency
3. Income generation

Harvest endeavours to develop investment products that are clear in their mandate and easy for our investors to understand. We strive to be transparent, so that our investors can open their financial reports and know exactly what they own. Our funds are also invested to provide investors with consistent monthly or quarterly income; therefore, we seek to invest our fund portfolios in well managed companies that have a history of steady cash flow and pay dividends.

## INVESTMENT PRODUCT

The Fund’s investment objectives are to provide unitholders with the opportunity for capital appreciation, monthly cash distributions and lower overall volatility of Portfolio returns than would otherwise be experienced by owning Equity Securities of the Technology Achievers directly. As part of the investment strategy, the Fund will invest in an equally-weighted portfolio of Equity Securities of 20 Technology Issuers from the Technology Achievers Investable Universe that have a market capitalization of at least US\$10 billion at the time of investment and have options in respect of their Equity Securities listed on a recognized options exchange.

# Tech Achievers Growth & Income Fund

## INTERIM MANAGEMENT DISCUSSION OF FUND PERFORMANCE

The interim management report of fund performance contains financial highlights but does not contain the complete condensed interim financial statements of the Fund. For your reference, the condensed interim financial statements of the Fund are attached to the interim management report of fund performance. You may obtain additional copies of these documents at your request, and at no cost, by calling toll free at 1(866) 998-8298; by writing to us at Harvest Portfolios Group Inc., 710 Dorval Drive, Suite 209, Oakville, Ontario, L6K 3V7; or by visiting our website at [www.harvestportfolios.com](http://www.harvestportfolios.com); or on SEDAR at [www.sedar.com](http://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, or quarterly portfolio disclosure.

### INVESTMENT OBJECTIVES AND STRATEGY

The Fund has been created to invest in a portfolio (the "Portfolio") of 20 equally-weighted Equity Securities of Technology Issuers chosen from the Technology Achievers Investable Universe that at the time of investment and immediately following each quarterly reconstitution and rebalancing (i) have a market capitalization of at least US\$10 billion, and (ii) have options in respect of their Equity Securities listed on a recognized options exchange (the "Technology Achievers").

The Fund's investment objectives are to provide Unitholders with (i) the opportunity for capital appreciation; (ii) monthly cash distributions; and (iii) lower overall volatility of the Portfolio returns than would otherwise be experienced by owning Equity Securities of the Technology Achievers directly.

The Manager will select the Equity Securities for the Portfolio and will quarterly reconstitute and rebalance the Portfolio such that the Portfolio, at the time of the initial investment and immediately following each quarterly reconstitution and rebalancing, will have the following investment characteristics:

- Quality** – An average 3-year Return on Equity greater than the average for the Technology Achievers Investable Universe;
- Value** – An average current year Forward Price-to-Earnings Ratio that is less than the average for the Technology Achievers Investable Universe; and
- Growth** – An average PEG Ratio that is less than the average for the Technology Achievers Investable Universe.

### RISK

The risks associated with investing in the Fund are as described in the prospectus. There were no material changes to the Fund over the period that affected the overall level of risk of the Fund.

### RESULTS OF OPERATIONS

The Tech Achievers Growth & Income Fund returned -1.19% compared to the S&P 500 Information Technology Total Return Index return of -0.32% for the period ending June 30, 2016.

Early in the year, broader global equity markets sold off as investors weighed the economic implications of potential US interest rate hikes during 2016 coupled with the collapse in energy prices and moderating economic data. In the latter part of the period, global markets had a significant increase in short term volatility surrounding the surprising results from the British referendum to leave the European Union. Markets quickly stabilized as expectations for a significant global economic disruption subsided and concurrently the prospects for multiple US rate increases for the balance of the year diminished. In general, Technology and Healthcare Technology, where the Fund has concentrated exposure, were not immune to the market volatility and impacted the Fund's short term performance however recovered as broader markets stabilized.

The Fund sold call options on underlying holdings held in the Portfolio during the period in order to meet its investment and income objectives.

# Tech Achievers Growth & Income Fund

## RECENT DEVELOPMENTS

The Fund renewed its normal course issuer bid program for the period from June 29, 2016 to June 28, 2017, which allows the Fund to purchase up to 505,432 units of the Fund for cancellation by way of a normal course issuer bid through the facilities of the Toronto Stock Exchange and other Canadian markets. During the period ended June 30, 2016 151,800 (2015 – 297,900) units were purchased for cancellation for \$1,094,532 (2015 - \$2,384,946).

In December 2015, the Manager gave notice to Highstreet Asset Management Inc. (“Highstreet”) terminating the option advisor agreement effective March 31, 2016. On April 1, 2016 the Manager assumed the option advisor responsibilities of the Fund.

## RELATED PARTY TRANSACTIONS

There were no related party transactions during the reporting period, except for management fees and other expense reimbursements paid to Harvest, as noted below in Management and Other Fees.

## MANAGEMENT AND OTHER FEES

The Fund pays its manager, Harvest, a management fee calculated based on the average weekly net asset value (“NAV”) and paid monthly in arrears, based on an annual rate of 1.00%, plus applicable taxes, of the NAV of the Fund. Prior to termination, the Manager paid Highstreet, a fee for its option advisory service, from the management fee received from the Fund, calculated on the basis of the Fund’s NAV.

At its sole discretion, the Manager may waive management fees or absorb expenses of the Fund. During the period there were no fees waived or absorbed. The management expense ratios of the Fund with and without the waivers and absorptions are reported in the Ratios and Supplemental Data table below.

### Operating expenses

The Fund is responsible for operating expenses relating to the carrying on of its business, including custodial services, interest, taxes, legal, audit fees, transfer agency services relating to the issue and redemption of units, and the cost of financial and other reports, costs and expenses for the Fund’s Independent Review Committee (“IRC”), including fees and expenses of the IRC members and compliance with applicable laws, regulations and policies. The Manager pays for such expenses on behalf of the Fund, except for certain expenses such as interest, and is then reimbursed by the Fund.

### Other expenses

The Manager will be reimbursed by the Fund for all reasonable costs, expenses and liabilities incurred by the Manager for performance of services on behalf of the Fund in connection with the discharge by the Manager of its duties hereunder. Such costs and expenses may include, without limitation: mailing and printing expenses for reports to unitholders and other unitholder communications; a reasonable allocation of salaries, benefits and consulting fees; independent directors of the Manager and other administrative expenses and costs incurred in connection with the Fund’s continuous public offering and other obligations. These expenses were \$44,253 for the period ended June 30, 2016 (2015 – \$7,234) and are included in the unitholder reporting costs on the Statements of Comprehensive Income (Loss) in the financial statements.

During the Fund’s initial offering, certain offering expenses such as costs of creating the Fund, the cost of printing and preparing the prospectus, legal expenses of the Fund and other out-of pocket expenses incurred by the agents together with the agent’s fees payable by the Fund are included in the carrying amount of the Fund’s obligation for net assets attributable to holders of redeemable units.

## RECOMMENDATIONS OR REPORTS BY THE INDEPENDENT REVIEW COMMITTEE

As noted in the “Recent Developments” section above, effective April 1, 2016, the Manager assumed the option advisor responsibilities of the Fund. This matter was brought to the attention of the IRC on December 11, 2015 and the committee resolved that the change provides a fair and reasonable result for the Fund.

# Tech Achievers Growth & Income Fund

## FINANCIAL HIGHLIGHTS

The following tables present selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period ended June 30, 2016 and past annual periods. This information is derived from the Fund's condensed interim financial statements.

<b>THE FUND'S NET ASSETS PER UNIT</b>	<b>2016</b>		<b>2015</b>	
<b>Net assets - beginning of the period<sup>2</sup></b>	<b>\$</b>	<b>8.26</b>	<b>\$</b>	<b>9.31</b>
<b>Increase (decrease) from operations</b>				
Total revenue		0.06		0.31
Total expenses		(0.07)		(0.10)
Realized gains (losses) for the period		(0.35)		(0.93)
Unrealized gains (losses) for the period		0.23		0.03
<b>Total increase (decrease) from operations<sup>1</sup></b>	<b>\$</b>	<b>(0.13)</b>	<b>\$</b>	<b>(0.69)</b>
<b>Distributions<sup>3</sup></b>				
From income		(0.35)		-
From dividends		-		(0.10)
Return of capital		-		(0.31)
<b>Total distributions<sup>3</sup></b>	<b>\$</b>	<b>(0.35)</b>	<b>\$</b>	<b>(0.41)</b>
<b>Net assets - end of the period<sup>1</sup></b>	<b>\$</b>	<b>7.81</b>	<b>\$</b>	<b>8.26</b>

<b>RATIOS AND SUPPLEMENTAL DATA</b>	<b>2016</b>		<b>2015</b>	
<b>Total net asset value</b>	<b>\$</b>	<b>39,358,169</b>	<b>\$</b>	<b>42,995,300</b>
Number of units outstanding		5,040,322		5,202,122
Management expense ratio <sup>4</sup>		1.73%		9.96%
Management expense ratio before waivers or absorptions <sup>4</sup>		1.73%		9.96%
Trading expense ratio <sup>5</sup>		0.13%		0.34%
Portfolio turnover rate <sup>6</sup>		23.33%		78.97%
<b>Net asset value per unit</b>	<b>\$</b>	<b>7.81</b>	<b>\$</b>	<b>8.26</b>
<b>Closing market price (HTA.UN)</b>	<b>\$</b>	<b>7.30</b>	<b>\$</b>	<b>7.68</b>

### Explanatory Notes:

1. Net assets 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 reporting period. It is not intended that the Fund's net assets per unit table act as a continuity of opening and closing net assets per unit.
2. Net assets, at the commencement of operations on May, 26, 2015 was \$9.31, net of agents' commissions and issuance costs of \$0.69 per unit.
3. Distributions were paid in cash or reinvested in additional units of the Fund.
4. Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) of the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The MER for the period from May 26, 2015 to December 31, 2015 includes agents' fees of \$2,887,500 and issue costs of \$825,000. These costs are treated as one-time expenses and therefore were not annualized. The MER without these costs is 1.96%.
5. 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.
6. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover 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 a Fund's portfolio turnover rate, the greater the trading costs payable by the Fund and the greater the chance of an investor receiving taxable capital gains. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

# Tech Achievers Growth & Income Fund

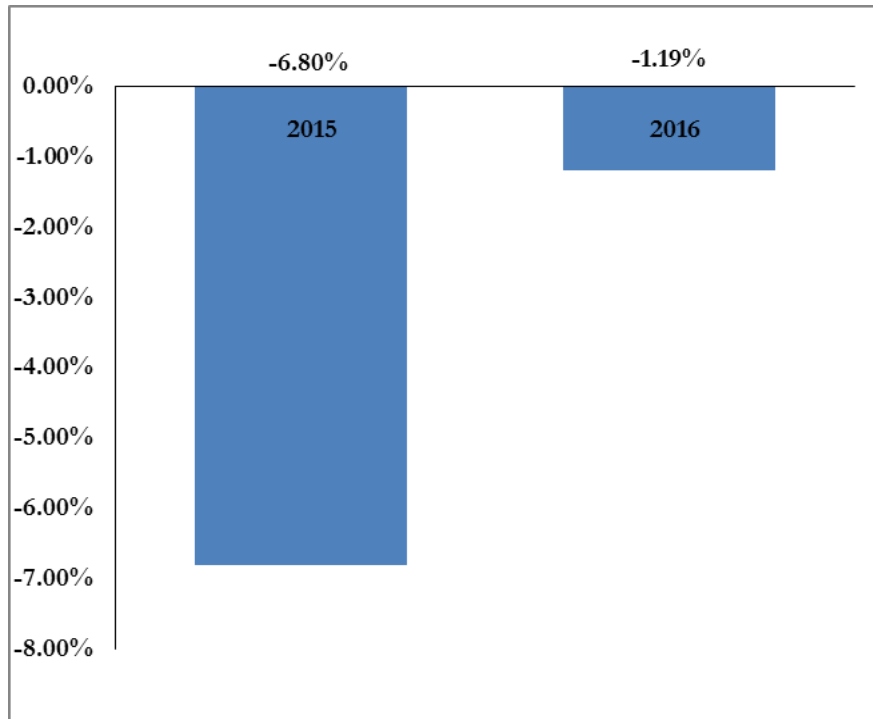
## Past Performance

The performance information presented herein assumes all dividends of the Fund during the periods presented were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, or other charges that would have reduced returns or affected performance. Past performance of the Fund is not necessarily indicative of how it will perform in the future.

## YEAR-BY-YEAR RETURNS

The following charts present the Fund's performance for each of the years shown. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year except for the 2016 period which represents the interim period.

## Fund Performance



2015 represents the period from May 26 to December 31

## Tech Achievers Growth & Income Fund

### SUMMARY OF INVESTMENT PORTFOLIO

The Portfolio by Sector chart below provides a portfolio breakdown based on the total transactional net asset value of the Fund's portfolio holdings. A detailed breakdown of the Fund's holdings is available in the "Schedule of Investments" section of the Fund's condensed interim financial statements.

As at June 30, 2016

Top Holdings	% of Net Asset Value
Texas Instruments Incorporated	5.3
Intel Corporation	5.2
QUALCOMM Incorporated	5.2
Microsoft Corporation	5.2
Medtronic Public Limited Company	5.2
Cisco Systems, Inc.	5.1
Automatic Data Processing, Inc.	5.1
International Business Machines Corporation	5.0
Adobe Systems Inc.	5.0
EMC Corporation	5.0
Oracle Corporation	5.0
Broadcom Ltd.	5.0
Facebook, Inc. Class A	4.9
Apple Inc.	4.9
Accenture PLC Class A	4.9
Abbott Laboratories	4.9
Alphabet Inc. Class A	4.8
Red Hat, Inc.	4.8
Visa Inc. Class A	4.6
Baidu, Inc. ADR	4.3
Foreign currency forward contracts	0.7
Cash and other assets and liabilities	0.1
Options	(0.2)
<b>Total</b>	<b>100.0</b>

This summary of investment portfolio may change due to the ongoing portfolio transactions of the Fund. Quarterly updates of the Fund's investment portfolio are available from Harvest Portfolios Group Inc. at [www.harvestportfolios.com](http://www.harvestportfolios.com).

### SECTOR ALLOCATION

Sector	% of Net Asset Value
Technology, Hardware & Equipment	40.0
Software & Services	38.8
Semiconductors & Semiconductors Equipment	10.5
Healthcare Equipment & Services	10.1
Foreign currency forward contracts	0.7
Cash and other assets and liabilities	0.1
Options	(0.2)
<b>Total</b>	<b>100.0</b>

# Tech Achievers Growth & Income Fund

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### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest and the risks detailed from time to time in the Fund's prospectus or offering memorandum. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the Fund does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.