



MANAGEMENT REPORT OF FUND PERFORMANCE

Harvest Equal Weight Global Utilities Income ETF

December 31, 2019



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 Inc., 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5; by visiting our website at www.harvestportfolios.com; or on SEDAR at www.sedar.com.

Harvest Equal Weight Global Utilities Income ETF

CORPORATE OVERVIEW

Harvest Portfolios Group Inc. (“Harvest” or the “Manager”) is a Canadian Investment Manager founded in 2009. Harvest is focused on developing investment products that follow three investment criteria.

We (i) endeavor to develop investment products that are clear in their mandate and easy for investors to understand, (ii) strive to be transparent so that our investors can review their financial reports and know exactly what they own and (iii) seek to provide investors with consistent monthly or quarterly income by investing the fund portfolios in well managed companies that have a steady cash flow and dividend-paying history.

INVESTMENT PRODUCT

The Harvest Equal Weight Global Utilities Income ETF (the “Fund”) invests in an equally weighted portfolio of Equity Securities¹ of 30 Global Utility Issuer’s¹ chosen from the Global Utility Issuer’s Investable Universe¹ that, immediately following each quarterly reconstitution, rank in the top 30 issuers as measured by market capitalization on an equally weighted basis (in Canadian dollars based on the most recent month end value) and that have call options available.

¹ As defined in the Fund’s prospectus dated January 7, 2020.

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PRESIDENT'S MESSAGE

Harvest Equal Weight Global Utilities Income ETF

Unitholder letter March 2020

Dear Valued Investor,

"In the business world, the rear-view mirror is always clearer than the windshield"

- Warren Buffet

As a long time follower of Warren Buffett, I think this particular quote makes sense when looking back at the previous year of activity in markets, what is difficult is looking ahead and trying to adjust your investments accordingly. To that end I hold steadfast in my belief that owning quality and steady streams of earnings will provide the confidence one needs as an investor looking ahead.

The immediate challenges of 2020 circle around the U.S. election, global trade issues, Middle East tensions, negative interest rates and, at the time of writing, the coronavirus. These are all important issues that will affect shorter term movements in markets, but like the Vietnam war in the 60's, the oil embargo of the 70s, the market crash of 1987 and many other events through the decades, they become blips on an overall long term trend of growth and increasing value and global GDP.

For a saver, retired investor or those approaching retirement, a more pressing concern is the record low interest rates that persist today and look to remain for some time. I believe this is another compelling reason to own quality companies through our ETFs. As an investor in equities, one must be willing to accept the risk that is associated with market volatility and we believe methods of mitigating that market risk is through time and quality of investment.

Our first objective is to position in growth industries or mega trends that we see continuing for many years if not decades to come. The second criteria is to select companies that are leaders in their respective fields, are making money now and generate steady dividends. Thirdly, we write (sell) call options across the portfolio to generate additional income for our investors. Throughout this process we continue to monitor, analyse and rebalance the positions which also results in portfolio constituent changes from time to time.

I read a number of Annual Reports that simply look through the rear-view mirror at the previous year to explain what happened due to various events as no one can predict the future with any degree of certainty. That said, what we can be sure of is disruptions, recessions and natural disasters will occur but will be overcome while more goods and services are consumed. Global GDP will continue to expand and throughout we will focus on businesses that we believe provide the best outcome due to their track records of success.

On behalf of Harvest, I would like to thank you for your trust and investment in our products.

Sincerely,

Signed "Michael Kovacs"

Michael Kovacs
President and Chief Executive Officer

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

The annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. For your reference, the annual financial statements of the Fund are attached to the annual 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., 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5; or by visiting our website at www.harvestportfolios.com; or on 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, or quarterly portfolio disclosure.

INVESTMENT OBJECTIVES AND STRATEGY

The Fund's investment objectives are to provide unitholders with:

- (i) monthly cash distributions;
- (ii) the opportunity for capital appreciation; and
- (iii) lower overall volatility of portfolio returns than would otherwise be experienced by owning Equity Securities of the Global Utility Issuers directly.

To achieve its investment objectives, the Fund will invest in an equally weighted portfolio of Equity Securities of 30 Global Utility Issuer's chosen from the Global Utility Issuer's Investable Universe that, immediately following each quarterly reconstitution, rank in the top 30 issuers as measured by market capitalization on an equally weighted basis (in Canadian dollars based on the most recent month end value) and that have call options available. If, in the opinion of the Manager, there are not 30 Global Utility Issuers that meet the investment criteria of the Fund, the Manager may invest in fewer than 30 Global Utility Issuers.

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 Fund began trading following the listing of its units on January 15, 2019 consisting of 100,000 units of Class A units at \$20.00 for proceeds of \$2,000,000. Performance information is not available for periods less than one year.

Growing concerns early in the year surrounding global economic growth coupled with heightened trade relations between China and the United States resulted in broader market volatility early in the year. This resulted in the reduced expectations for interest rate increases in the United States and towards the end of the period, expectations had quickly shifted toward the potential for interest rate cuts. This resulted in investors seeking traditionally more defensive sectors like telecom, pipelines & utilities and this had a positive impact on the sectors that the Fund invests in. European telecom issuers tended to lag while the Utilities in both North American and Europe, continued to gain momentum through the end of the period.

The Fund was invested in a portfolio of 30 Global Utilities Issuers selected from a diverse universe of companies in the Utilities, Telecommunication Services, Oil & Gas Storage and Transportation sub-sectors. The portfolio is equally weighted and follows a systematic process in selecting the top 30 largest Global Utility Issuers measured by market capitalization that meet specific dividend characteristics from the Universe. The Fund used covered calls to generate additional income.

RECENT DEVELOPMENTS

The recent spread of the coronavirus ("COVID-19") and its impact on the financial performance of the Fund's investments will depend on the duration and spread of the outbreak and related advisories and restrictions. The overall impact to financial markets and the economy are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, the Fund's future investment results may be materially adversely affected.

The Fund was established on January 7, 2019 and commenced operations on January 10, 2019 and trades under the symbol HUTL.

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".

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MANAGEMENT AND OTHER FEES

Harvest Portfolios Group Inc. is the Manager of the Fund and is responsible for managing the Fund's overall business and operations and provides key management personnel to the Fund. The Fund pays the Manager an annual management fee of 0.50%, plus applicable taxes, based on a percentage of the average daily net asset value ("NAV") of the Fund.

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 and benefits; and other administrative expenses and costs incurred in connection with the Fund's continuous public offering and other obligations. These expenses are allocated by the Manager on a reasonable basis, across all the Harvest Portfolios Group Inc. Funds, and series of each applicable fund. These expenses were \$7,565 for the period ended December 31, 2019 and are included in the unitholder reporting costs on the Statement of Comprehensive Income (Loss) in the financial statements.

Waivers and absorptions

At its sole discretion, the Manager may waive management fees or absorb expenses of the Fund. There were no management fee waivers for the period ended December 31, 2019. The Manager absorbed \$144,576 of expenses of the Fund for the period ended December 31, 2019. The Manager may cease doing so at any time without notice to unitholders. The management expense ratios of the Fund with and without the waivers and absorptions are reported in the Ratios and Supplemental Data table below.

RECOMMENDATION OR REPORTS BY THE INDEPENDENT REVIEW COMMITTEE

The Independent Review Committee tabled no special reports and made no extraordinary material recommendations to management of the Fund during the period ended December 31, 2019.

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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 December 31, 2019. This information is derived from the Fund's annual financial statements.

THE FUND'S NET ASSETS PER UNIT		2019
Net assets - beginning of period²		\$ 20.00
Increase (decrease) from operations		
Total revenue		0.86
Total expenses		(0.22)
Realized gains (losses) for the period		1.02
Unrealized gains (losses) for the period		1.02
Total increase (decrease) from operations¹		\$ 2.68
Distributions³		
From net investment income (excluding dividends)		(0.26)
From dividends		(0.10)
From capital gains		(0.49)
Return of capital		(0.32)
Total annual distributions³		\$ (1.17)
Net assets - end of period¹		\$ 21.89

RATIOS AND SUPPLEMENTAL DATA		2019
Total net asset value		\$ 18,608,401
Number of units outstanding		850,000
Management expense ratio ⁴		0.97%
Management expense ratio before waivers or absorptions ⁴		2.39%
Trading expense ratio ⁵		0.40%
Portfolio turnover rate ⁶		93.87%
Net asset value per unit		\$ 21.89
Closing market price (HUTL)		\$ 21.86

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 January 10, 2019 was \$20.00.
3. Distributions, if any, are paid in cash.
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 the daily average net asset value during the period.
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.

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, redemptions, 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.

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YEAR-BY-YEAR RETURNS

The Fund's performance is not shown as National Instrument 81-106, the regulatory guideline for Continuous Disclosure, does not permit reporting of performance for any investment fund that has been in existence less than one year.

ANNUAL COMPOUND RETURNS

The Fund's performance is not shown as National Instrument 81-106, the regulatory guideline for Continuous Disclosure, does not permit reporting of performance for any investment fund that has been in existence less than one year.

SUMMARY OF INVESTMENT PORTFOLIO

The major portfolio categories and top holdings of the Fund at the end of the period are indicated in the following tables. A detailed breakdown of the Fund's holdings is available in the "Schedule of Investments" section of the Fund's annual financial statements.

As at December 31, 2019

Top Holdings	% of Net Asset Value
National Grid PLC	3.5
Electricite de France S.A.	3.5
ONEOK, Inc.	3.4
Edison International	3.4
PPL Corporation	3.4
Kinder Morgan, Inc., Class P	3.4
E.ON SE	3.4
Enbridge Inc.	3.4
Duke Energy Corporation	3.4
Swisscom AG	3.4
AT&T Inc.	3.3
Iberdrola, S.A.	3.3
Fortum Oyj	3.3
TC Energy Corporation	3.3
Verizon Communications Inc.	3.3
ENGIE S.A.	3.3
FirstEnergy Corp.	3.3
Consolidated Edison, Inc.	3.3
TELUS Corporation	3.3
The Southern Company	3.3
Telia Company AB	3.2
Endesa S.A.	3.2
Dominion Energy, Inc.	3.2
Vodafone Group PLC	3.2
Telenor ASA	3.2
Total	83.2

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.

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SECTOR ALLOCATION

Sector	% of Net Asset Value
Diversified Telecommunication	31.8
Electric Utilities	30.1
Multi-Utilities	16.7
Oil, Gas & Consumable Fuels	13.5
Wireless Telecommunication Services	3.2
Gas Utilities	3.0
Cash and other assets and liabilities	1.1
Foreign currency forward contracts	0.7
Options	(0.1)
Total	100.0

GEOGRAPHIC ALLOCATION

Country of Risk	% of Net Asset Value
United States	36.7
Canada	13.1
Spain	12.5
France	9.7
United Kingdom	6.7
Germany	6.5
Switzerland	3.4
Finland	3.3
Sweden	3.2
Norway	3.2
Cash and other assets and liabilities	1.1
Foreign currency forward contracts	0.7
Options	(0.1)
Total	100.0



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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.