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**INTERIM FINANCIAL STATEMENTS**  
**(Unaudited)**

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**Blockchain Technologies ETF**

**June 30, 2020**



# Blockchain Technologies ETF

STATEMENTS OF FINANCIAL POSITION (Unaudited)			
As at		June 30, 2020	December 31, 2019
<b>Assets</b>			
<b>Current assets</b>			
Investments	\$	7,484,838	\$ 7,200,580
Cash		92,322	29,332
Dividends and interest receivable		5,489	3,984
		<b>7,582,649</b>	<b>7,233,896</b>
<b>Net assets attributable to holders of redeemable units</b>	\$	<b>7,582,649</b>	\$ <b>7,233,896</b>
<b>Number of redeemable units outstanding (Note 4)</b>		<b>1,020,000</b>	<b>1,140,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>	\$	<b>7.43</b>	\$ <b>6.35</b>

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

# Blockchain Technologies ETF

STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (Unaudited)			
For the period ended June 30	2020		2019
<b>Income</b>			
Net gain (loss) on investments			
Dividends	\$	30,330	\$ 40,999
Net realized gain (loss) on sale of investments		138,777	(662,192)
Net realized gain (loss) on foreign exchange		1,702	192
Net change in unrealized appreciation (depreciation) of investments		1,015,747	2,663,400
Net change in unrealized appreciation (depreciation) of foreign exchange		199	(2,915)
Net gain (loss) on investments		1,186,755	2,039,484
<b>Total income (net)</b>	\$	<b>1,186,755</b>	\$ <b>2,039,484</b>
<b>Expenses (Note 5)</b>			
Management fees	\$	25,653	\$ 31,622
Withholding taxes		4,380	4,591
Unitholder reporting costs		15,946	17,802
Audit fees		16,061	6,280
Transfer agency fees		4,132	8,807
Custodian fees and bank charges		26,729	32,560
Independent Review Committee fees		286	383
Filing fees		19,923	20,672
Legal fees		14,883	12,525
Transaction costs (Note 8)		20,192	20,981
<b>Total expenses</b>		<b>148,185</b>	<b>156,223</b>
Expenses absorbed by manager (Note 5)		(64,958)	(58,239)
<b>Total expenses (net)</b>	\$	<b>83,227</b>	\$ <b>97,984</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	\$	<b>1,103,528</b>	\$ <b>1,941,500</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units per unit (Note 4)</b>	\$	<b>1.03</b>	\$ <b>1.47</b>

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STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Unaudited)			
For the period ended June 30	2020		2019
Net assets attributable to holders of redeemable units beginning of period	\$	7,233,896	\$ 7,021,524
Increase (decrease) in net assets attributable to holders of redeemable units	\$	1,103,528	\$ 1,941,500
<b>Redeemable unit transactions</b>			
Proceeds from issue of redeemable units		-	342,737
Redemption of redeemable units		(754,775)	(599,270)
<b>Net redeemable unit transactions</b>	\$	(754,775)	\$ (256,533)
<b>Net assets attributable to holders of redeemable units end of period</b>	\$	<b>7,582,649</b>	\$ <b>8,706,491</b>

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

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STATEMENTS OF CASH FLOWS (Unaudited)			
For the period ended June 30		2020	2019
<b>Operating activities</b>			
Increase (decrease) in net assets attributable to holders of redeemable units	\$	1,103,528	\$ 1,941,500
<b>Add (deduct) items not affecting cash:</b>			
Foreign exchange (gain) loss of cash		219	-
Realized (gain) loss on sale of investments		(138,777)	662,192
Change in unrealized (appreciation) depreciation of investments		(1,015,747)	(2,663,400)
Change in unrealized (appreciation) depreciation of foreign exchange		(199)	2,915
Proceeds from sale of investments		1,572,521	3,889,246
Purchases of investments		(1,451,646)	(3,699,747)
Net change in non-cash assets and liabilities		(1,306)	(9,931)
<b>Net cash flow provided by (used in) operating activities</b>	<b>\$</b>	<b>68,593</b>	<b>\$ 122,775</b>
<b>Financing activities**</b>			
Proceeds from redeemable units issued		-	1,780
Redemption of redeemable units		(5,384)	(2,472)
<b>Net cash flow provided by (used in) financing activities</b>	<b>\$</b>	<b>(5,384)</b>	<b>\$ (692)</b>
Net increase (decrease) in cash during the period		63,209	122,083
Foreign exchange (gain) loss of cash		(219)	-
Cash, beginning of the period		29,332	21,790
<b>Cash, end of the period</b>	<b>\$</b>	<b>92,322</b>	<b>\$ 143,873</b>
<b>Supplemental disclosure of cash flow information</b>			
Dividends received, net of withholding taxes*	\$	24,445	\$ 29,392

\*included in operating activities

\*\*net cash inflows (outflows) excludes trades that were not settled in cash (in-kind trades).

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

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SCHEDULE OF INVESTMENTS (Unaudited)				
As at June 30, 2020				
Number of Shares	Security	Average Cost (\$)	Fair Value (\$)	% of Net Assets
<b>EQUITIES</b>				
<b>Consumer Discretionary</b>				
15,938	Overstock.com, Inc.	272,331	615,152	8.1
3,307	Overstock.com, Inc., Series A-1 Preferred	-	-	-
		272,331	615,152	8.1
<b>Financials</b>				
143,352	Galaxy Digital Holdings Ltd.	221,481	220,762	2.9
		221,481	220,762	2.9
<b>Information Technology</b>				
1,165	Accenture PLC, Class A	252,674	339,602	4.5
122,572	Conduent Incorporated	811,701	397,705	5.2
2,065	DocuSign, Inc.	146,358	482,781	6.4
104,773	Eastman Kodak Company	340,015	317,195	4.2
1,151,748	HIVE Blockchain Technologies Ltd.	507,224	368,560	4.9
25,301	Infosys Limited ADR	343,229	331,808	4.4
3,736	Intel Corporation	235,986	303,458	4.0
1,948	International Business Machines Corporation	362,001	319,389	4.2
767	Mastercard Incorporated, Class A	201,942	307,906	4.1
1,232	Microsoft Corporation	164,121	340,383	4.5
79,551	Net 1 UEPS Technologies, Inc.	480,875	328,315	4.3
4,405	Oracle Corporation	285,455	330,527	4.3
640,366	Pareteum Corporation	551,538	539,091	7.1
55,100	Riot Blockchain, Inc.	172,994	166,064	2.2
1,999	SAP SE ADR	298,723	379,938	5.0
8,254	Virtusa Corporation	436,951	363,847	4.8
1,129	Visa Inc., Class A	196,471	296,078	3.9
77,826	Wipro Limited ADR	384,235	349,723	4.6
81,820	Xunlei Limited ADR	352,231	386,554	5.1
		6,524,724	6,648,924	87.7
<b>Total investments</b>		<b>7,018,536</b>	<b>7,484,838</b>	<b>98.7</b>
<b>Other assets less liabilities</b>			<b>97,811</b>	<b>1.3</b>
<b>Net assets attributable to holders of redeemable units</b>			<b>7,582,649</b>	<b>100.0</b>

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## NOTES TO THE INTERIM FINANCIAL STATEMENTS (Unaudited)

June 30, 2020

### 1. GENERAL INFORMATION

Blockchain Technologies ETF (the “Fund”) is an investment fund established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated January 31, 2018 and as amended and restated, being the inception date. There was no significant activity in the Fund from the date of inception to commencement of operations on February 2, 2018. The address of the Fund’s registered office is 610 Chartwell Road, Oakville, Ontario L6J 4A5.

The Fund’s investment objective is to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Harvest Blockchain Technologies Index (the “Index”). The Fund invests in equity securities of issuers exposed, directly or indirectly, to the development and implementation of blockchain and distributed ledger technologies. As part of the investment strategy, the Fund will hold the Constituent Securities<sup>1</sup> of the Index in approximately the same proportion as they are reflected in that Index or may hold securities of one or more exchange traded funds that replicate the performance of the applicable Index, or a subset of such Index. The Fund will invest in its own portfolio comprised of various securities and instruments which may include, but are not limited to, equity and equity related securities. If market conditions require, in order to preserve capital, the Fund may seek to invest a substantial portion of its assets in cash and cash equivalent.

### 2. BASIS OF ACCOUNTING

These interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting. These interim financial statements were authorized for issue by Harvest Portfolios Group Inc. (the “Manager”) on August 17, 2020.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss (“FVTPL”). Transaction costs on financial assets and liabilities at FVTPL are expensed as incurred. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund’s investments and derivative assets and liabilities are measured at FVTPL based on its business model. The Fund’s obligation for net assets attributable to holders of redeemable units is presented at the redemption amount. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid. Carrying values of other financial assets and liabilities at amortized cost approximate their fair values due to the short term to maturity. The Fund’s accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value (“NAV”) for transactions with unitholders. As at June 30, 2020 and December 31, 2019, there were no differences between the Fund’s NAV per security and its net assets per security calculated in accordance with IFRS 9.

#### Fair value of investments and derivatives

Investments and derivatives that are traded in an active market are valued at their closing prices through recognized public stock exchanges or through recognized investment dealers on the valuation date. The Fund uses the last traded market price that falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances. Investments held are represented by equities.

Investments and derivatives held that are not traded in an active market are valued using valuation techniques, on such basis and in such a manner established by the Manager. The value of any security for which, in the opinion of the Manager, the published market quotations are not readily available shall be the fair value as determined by the Manager. The fair values of certain securities may be determined using valuation models that are based, in part, on assumptions that are not supported by observable market inputs. These methods and procedures may include, but are not limited to, performing comparisons with prices of comparable or similar securities, obtaining valuation related information from issuers and/or other analytical data relating to the investment and using other available indication of value. These values are independently assessed internally to ensure that they are reasonable. However, because of the inherent uncertainty of valuation, the estimated fair values for the aforementioned securities and interests may be materially different from the values that would be used had a

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<sup>1</sup> As defined in the Fund’s prospectus dated January 7, 2020.

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ready market for the security existed. The fair values of such securities are affected by the perceived credit risks of the issuer, predictability of cash flows and length of time to maturity.

## Classification of redeemable units

Under IFRS, IAS 32 Financial Instruments – Presentation requires that units or shares of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as a financial liability unless certain criteria are met. The Fund's units include different redemption rights and in some instances are at 95% of market value of the units on the exchange. As a result, the Fund's units contain multiple contractual obligations and are presented as financial liabilities as they do not meet the criteria for classification as equity.

## Cash

Cash is comprised of cash on deposit.

## Investment transactions and income recognition

Net realized gain (loss) on sale of investments and net change in unrealized appreciation (depreciation) of investments are determined on an average cost basis. Dividend income is accounted for on the ex-dividend date. The cost of investments is determined using the average cost method.

## Foreign currency translation

The Fund's subscriptions and redemptions are predominately denominated in Canadian dollars which is also the Fund's functional and presentation currency. Purchases and sales of investments denominated in foreign currencies and foreign currency dividend and interest income are translated into Canadian dollars at the rate of exchange prevailing at the time of the transactions. Realized and unrealized foreign currency gains or (losses) on investments are included in the Statements of Comprehensive Income (Loss) in "Net realized gain (loss) on sale of investments" and "Net change in unrealized appreciation (depreciation) of investments", respectively. Realized and unrealized foreign currency gains or losses on assets and liabilities, other than investments, denominated in foreign currencies are included in the Statements of Comprehensive Income (Loss) in "Net realized gain (loss) on foreign exchange" and "Net change in unrealized appreciation (depreciation) of foreign exchange", respectively. Foreign currency assets and liabilities in the Statements of Financial Position are translated into Canadian dollars on the statement date.

## Redeemable units valuation

The NAV on a particular date will be equal to the aggregate value of the assets of the Fund less the aggregate value of the liabilities of the Fund, expressed in Canadian dollars at the applicable exchange rate on such date. The NAV and NAV per unit will be calculated on any day on which the Toronto Stock Exchange ("TSX") is open for trading.

## Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the Statements of Comprehensive Income (Loss) represents the increase (decrease) in net assets attributable to holders of redeemable units, divided by the weighted average units outstanding for the financial period.

## Critical accounting estimates and judgments

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

- a) Fair value measurement of derivatives and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Refer to Note 7 for further information about the fair value measurement of the Fund's financial instruments.

- b) Classification and measurement of investments and derivatives under IFRS 9

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about the business model in which the portfolio of investments and derivatives is held. The Manager has determined that the Fund's business model is one in which its portfolio is managed and performance evaluated on a fair value basis under IFRS 9.

## 4. REDEEMABLE UNITS

The authorized capital of the Fund consists of an unlimited number of transferable units of one class representing an equal, undivided interest in the net assets of the Fund. Except as provided in the Declaration of Trust, all units have equal rights and



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privileges. Each unit is entitled to one vote at all meetings of unitholders and is entitled to participate equally in any and all distributions made by the Fund. The units trade on the TSX under the symbol HBLK. As at June 30, 2020, the closing price of the units was \$7.41 per unit (December 31, 2019 - \$6.32 per unit).

## Subscriptions and Redemptions

On any trading day, a designated broker or underwriter may place a subscription or redemption order for an integral multiple of the prescribed number of units of the ETF. A trading day is each day on which the TSX is opened for business.

If the subscription or redemption order is accepted, the ETF will issue or redeem units to/from the designated broker or underwriter generally by the second trading day after the date on which the subscription or redemption order is accepted. For each prescribed number of units issued or redeemed, a designated broker or underwriter must deliver or receive payment consisting of:

- (a) A basket of applicable securities and cash in an amount sufficient so that the value of the securities, and the cash received is equal to the NAV of the units issued or redeemed; or
- (b) Cash in the amount equal to the NAV of the units issued or redeemed.

On any trading day, unitholders may redeem units for cash or exchange units for baskets of securities and cash. Units redeemed for cash may be redeemed at a redemption price per unit equal to 95% of the closing price for the units on the TSX on the effective day of the redemption, subject to a maximum redemption price per unit equal to NAV. Units exchanged for baskets of securities will be exchanged at a price equal to the NAV of the units on the effective date of the exchange request, payable by delivery of baskets of securities and cash. The units will be redeemed in the exchange.

The following units were issued and/or redeemed during the period:

	Units outstanding
<b>Total outstanding as at January 1, 2019</b>	<b>1,340,000</b>
Redeemable units issued	50,000
Redeemable units redeemed	(90,000)
<b>Total outstanding as at June 30, 2019</b>	<b>1,300,000</b>
<b>Total outstanding as at January 1, 2020</b>	<b>1,140,000</b>
Redeemable units issued	-
Redeemable units redeemed	(120,000)
<b>Total outstanding as at June 30, 2020</b>	<b>1,020,000</b>

The weighted average number of units outstanding during the period ended June 30, 2020 was 1,068,077 units (2019 – 1,318,508).

## Distributions

The Fund is required to pay distributions in an amount not less than the amount necessary to ensure the Fund will not be liable for income taxes on realized capital gains, dividends and interest. A distribution, if any, will be paid in cash at the end of the year.

## 5. RELATED PARTY TRANSACTIONS AND OTHER EXPENSES

### Management fees

The Manager is responsible for managing the Fund's overall business and operations and provides key management personnel to the Fund. The Manager is entitled to a fee of 0.65% of the average daily NAV, plus applicable taxes, per annum 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.

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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 for the period ended June 30, 2020 were \$2,771 (2019 - \$3,651) and are included in the unitholder reporting costs on the Statements of Comprehensive Income (Loss).

## 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 periods ended June 30, 2020 and 2019. The Manager absorbed \$64,958 of expenses of the Fund for the period ended June 30, 2020 (2019 - \$58,239). The Manager may cease doing so at any time without notice to unitholders.

## 6. FINANCIAL RISK MANAGEMENT

Investment activities of the Fund expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The Manager seeks to minimize these risks by employing experienced portfolio managers that will manage the security portfolios of the Fund on a daily basis according to market events and the investment objectives of the Fund. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

### Other price risk

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. The value of securities in the Fund's portfolio may be affected by the stock market conditions rather than each company's performance. Developments in the market are affected by general economic and financial conditions. Political, social and environmental factors can also affect the value of any investment. The recent spread of the coronavirus ("COVID-19") has caused volatility in the global financial markets and a slowdown in the global economy and may have a continued adverse impact on the financial performance of the Fund's investments. The extent of the overall impact to financial markets and the economy are highly uncertain and cannot be predicted as they will depend on the duration and renewed spread of the outbreak along with further government restrictions. 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.

As at June 30, 2020, 98.7% (December 31, 2019 – 99.5%) of the Fund's net assets attributable to holders of redeemable units were traded on public stock exchanges. If equity prices on these exchanges had increased or decreased by 5%, as at year end, with all other factors remaining constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately \$374,242 (December 31, 2019 - \$360,029).

In practice, the actual trading results may differ, and the difference could be material.

### Currency risk

Currency risk is the risk that the value of investments denominated in currencies other than the functional currency of the Fund will fluctuate as a result of changes in foreign exchange rates. When a Fund buys an investment priced in a foreign currency and the exchange rate between the Canadian dollar and the foreign currency changes unfavorably, it could reduce the value of the Fund's investment.

The table below summarizes the Fund's net exposure to currency risk. Amounts shown are based on the carrying value of monetary and non-monetary net assets (including derivatives and the underlying principal (notional) amount of forward currency contracts, if any).

As at June 30, 2020		
Currency	Currency exposure (\$)*	As a % of net assets
U.S. Dollar	6,904,463	91.1

\*Amounts are in Canadian dollars

As at December 31, 2019		
Currency	Currency exposure (\$)*	As a % of net assets
U.S. Dollar	6,733,959	93.1

\*Amounts are in Canadian dollars

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The non-monetary currency exposure was \$6,895,517 (December 31, 2019 - \$6,728,401) and the monetary currency exposure was \$8,946 (December 31, 2019 - \$5,558).

As at June 30, 2020, if the Canadian dollar had strengthened or weakened by 5% in relation to all foreign currencies, with all other variables held constant, the Fund's net assets attributable to holders of redeemable units would have decreased or increased, respectively, by approximately \$345,223 (December 31, 2019 - \$336,698) or 4.6% (2019 – 4.7%) based on the net currency exposure. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

### Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair value of financial instruments. Interest rate risk arises when the Fund invests in interest-bearing financial instruments. As at June 30, 2020 and December 31, 2019, the Fund did not hold any bonds or money market instruments; therefore, the Fund had no significant exposure to interest rate risk.

### Liquidity risk

Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund is exposed to redemption of units as described in Note 4. Since the settlement of redemptions is primarily by delivery of securities, the Fund is not exposed to any significant liquidity risk. Therefore, in order to maintain sufficient liquidity, the Fund primarily invests in securities that are actively traded in public markets and can be readily disposed of to raise liquidity. In addition, the Fund retains sufficient cash and cash equivalent positions to maintain liquidity.

As at June 30, 2020 and December 31, 2019, all the Fund's financial liabilities have maturities of less than three months.

### Credit risk

Credit risk 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.

All transactions executed by the Fund in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at June 30, 2020 and December 31, 2019, the Fund did not have significant credit risk exposure. All cash held by the fund is held with a reputable and regulated financial institution.

### Fair value of financial instruments

The Fund classifies fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

**Level 3:** Inputs for the asset or liability that are not based on observable market data.

The table below summarizes the fair value of the Fund's financial instruments using the following fair value hierarchy:

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

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Securities classification:

Investments at fair value as at June 30, 2020				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Totals (\$)
<b>Financial Assets</b>				
<b>Equities</b>				
Common Stock	6,036,815	-	-	6,036,815
Preferred Stock	-	-	-	-
ADR	1,448,023	-	-	1,448,023
<b>Total Financial Assets</b>	<b>7,484,838</b>	<b>-</b>	<b>-</b>	<b>7,484,838</b>

Investments at fair value as at December 31, 2019				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Totals (\$)
<b>Financial Assets</b>				
<b>Equities</b>				
Common Stock	5,867,703	-	-	5,867,703
ADR	1,332,877	-	-	1,332,877
<b>Total Financial Assets</b>	<b>7,200,580</b>	<b>-</b>	<b>-</b>	<b>7,200,580</b>

There was one Level 3 security held by the Fund as at June 30, 2020, and there were no significant transfers between Level 1 and Level 2 for the periods ended June 30, 2020. The Level 3 security is a digital security received from a stock dividend that trades on an alternative trading system which is not a recognized stock exchange. The value of the Level 3 security held at June 30, 2020 was based on a 100% liquidity discount to the last traded price as quoted through this alternative trading system. The discount applied was based on the Fund's inability to trade the security given the lack of access to trading for Canadian investors. As at June 30, 2020, a 50% increase in the liquidity discount unobservable input used for fair valuation would have increased the Fund's net assets by approximately \$44,000. In practice, the actual results may differ from this sensitivity analysis and the difference could be material. Refer to subsequent events Note 9.

The following is a reconciliation of investments in which unobservable inputs (Level 3) were used in determining value:

	June 30, 2020
<b>Opening balance (April 24, 2020)</b>	<b>\$ -</b>
Purchases	-
Sales	-
Net realized gain (loss)	-
Net change in unrealized appreciation (depreciation)	-
Transfers to Level 3	-
<b>Closing balance</b>	<b>\$ -</b>

There were no Level 3 securities held by the Fund as at December 31, 2019. There were no transfers between Level 1 and Level 2 for the period ended June 30, 2020 and 2019.

The value of the equities is based on quoted prices.

## 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 by country, Index segment and industry in which the companies held in the portfolio operate. The prior year presentation has been updated to conform to the current year methodology of presenting the concentration risk based on the country of risk. In the current year the segmentation within the Index was included to provide further details on Emerging Blockchain companies compared to Large Cap Blockchain companies as outlined in the Index.

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Geography:

As at	June 30, 2020	December 31, 2019
	% of net assets	% of net assets
United States	70.4	73.6
India	9.0	9.0
China	5.1	5.2
Germany	5.0	4.2
Canada	4.9	2.1
South Africa	4.3	5.4
Cash and other assets and liabilities	1.3	0.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Index Segment:

As at	June 30, 2020	December 31, 2019
	% of net assets	% of net assets
Emerging Blockchain	55.2	55.4
Large Cap Blockchain	43.5	44.1
Cash and other assets and liabilities	1.3	0.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Market Segment:

As at	June 30, 2020	December 31, 2019
	% of net assets	% of net assets
Information Technology	87.7	85.0
Consumer Discretionary	8.1	4.8
Financials	2.9	4.4
Cash and other assets and liabilities	1.3	0.5
Communication Services	-	5.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## 7. TAXATION

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada). For tax purposes, the Fund has a December 15 year end. Prior to 2019, the Fund had a December 31 year end. All the Fund's net income for tax purposes and sufficient net capital gains realized in any period are required to be distributed to unitholders such that no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses may be carried forward for 20 years and applied against future taxable income.

As at the last taxation year end, the Fund had \$4,383,269 of capital losses, which can be carried forward indefinitely and applied against future capital gains. Non-capital losses are available to offset against income in future years and have been carried forward as follows:

Year of Expiry	Amount (\$)
2038	74,754
2039	90,392

## Blockchain Technologies ETF

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income (Loss).

As the Manager is a resident of Ontario, the expenses paid by the Fund generally include HST of 13%. HST is calculated using the residency of unitholders in the Fund as at specific times, rather than the physical location of the Manager. A blended rate refund is filed with the Canada Revenue Agency on behalf of the Fund, in arrears, using each province's HST rate or GST rate in the case of non-participating provinces.

### 8. SOFT DOLLAR COMMISSIONS

Brokerage commissions paid to certain brokers may, in addition to paying for the cost of brokerage services in respect of security transactions, also provide for the cost of investment research services provided to the investment manager. The value of such research services included in commissions paid to brokers for the periods ended June 30, 2020 and 2019 amounted to \$nil.

### 9. SUBSEQUENT EVENTS

Subsequent to the period end, an opportunity to trade the level 3 security as disclosed in Note 7 at its trading value became available and the security was subsequently sold in mid August at a value of approximately 3.4% of the net assets at the time of sale.



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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.