



INTERIM FINANCIAL STATEMENTS
(Unaudited)

Global Telecom & Utilities Income Fund

June 30, 2020



Global Telecom & Utilities Income Fund

STATEMENTS OF FINANCIAL POSITION (Unaudited)			
As at		June 30, 2020	December 31, 2019
Assets			
Current assets			
Investments	\$	3,077,293	\$ 3,386,536
Cash		4,445	71,259
Dividends and other receivables		32,851	30,765
		3,114,589	3,488,560
Liabilities			
Current liabilities			
Distributions payable (Note 4)		24,143	24,143
		24,143	24,143
Net assets attributable to holders of redeemable units	\$	3,090,446	\$ 3,464,417
Number of redeemable units outstanding (Note 4)		402,384	402,384
Net assets attributable to holders of redeemable units per unit	\$	7.68	\$ 8.61

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

Global Telecom & Utilities Income Fund

STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (Unaudited)			
For the period ended June 30,	2020		2019
Income			
Net gain (loss) on investments			
Dividends	\$	81,770	\$ 107,454
Net realized gain (loss) on investments		14,048	(644)
Net realized gain (loss) on foreign exchange		(216)	(156)
Net change in unrealized appreciation (depreciation) of investments		(234,100)	126,967
Net change in unrealized appreciation (depreciation) of foreign exchange		452	(1,807)
Net gain (loss) on investments		(138,046)	231,814
Total income (net)	\$	(138,046)	\$ 231,814
Expenses (Note 6)			
Management fees	\$	22,654	\$ 25,171
Service fees		7,010	7,667
Withholding taxes		8,402	11,125
Unitholder reporting costs		4,653	6,063
Audit fees		6,529	2,662
Transfer agency fees		5,199	4,940
Custodian fees and bank charges		12,325	13,261
Independent Review Committee fees		133	163
Filing fees		18,805	21,881
Legal fees		2,915	4,243
Interest expense (Note 9)		-	155
Transaction costs (Note 8)		430	-
Total expenses	\$	89,055	\$ 97,331
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(227,101)	\$ 134,483
Increase (decrease) in net assets attributable to holders of redeemable units per unit (Note 4)	\$	(0.56)	\$ 0.32

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

Global Telecom & Utilities Income Fund

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	\$	3,464,417	\$ 3,538,132
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(227,101)	\$ 134,483
Redeemable unit transactions			
Redemption of redeemable units		-	-
Net redeemable unit transactions	\$	-	\$ -
Distributions to holders of redeemable units			
Net investment income		(146,870)	(149,574)
Total distributions to unitholders	\$	(146,870)	\$ (149,574)
Net assets attributable to holders of redeemable units end of period	\$	3,090,446	\$ 3,523,041

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

Global Telecom & Utilities Income Fund

STATEMENTS OF CASH FLOWS (Unaudited)		
For the period ended June 30,	2020	2019
Operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (227,101)	\$ 134,483
Add (deduct) items not affecting cash:		
Foreign exchange (gain) loss on cash	(2)	-
Net realized (gain) loss on sale of investments	(14,048)	644
Change in unrealized (appreciation) depreciation of investments	234,100	(126,967)
Change in unrealized (appreciation) depreciation of foreign exchange	(452)	1,807
Proceeds from sale of investments	93,779	2,929
Purchases of investments	(4,588)	(3,639)
Net change in non-cash assets and liabilities	(1,634)	(7,494)
Net cash flow provided by (used in) operating activities	\$ 80,054	\$ 1,763
Financing activities		
Borrowings drawn down (repaid)	-	(50,949)
Distributions paid to holders of redeemable units	(146,870)	(149,574)
Net cash flow provided by (used in) financing activities	\$ (146,870)	\$ (200,523)
Net increase (decrease) in cash during the period	(66,816)	(198,760)
Foreign exchange (gain) loss on cash	2	-
Cash, beginning of the period	71,259	250,235
Cash, end of the period	\$ 4,445	\$ 51,475
Supplemental disclosure of cash flow information		
Dividends received, net of withholding taxes*	\$ 71,282	\$ 90,769
Interest paid during the period*	-	155

*included in operating activities

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
EQUITIES				
Communication Services				
2,900	AT&T Inc.	137,948	119,017	3.9
6,150	Deutsche Telekom AG	150,534	140,190	4.5
20,550	Mediaset S.p.A.	120,597	49,618	1.6
3,300	ProSiebenSat.1 Media SE	236,830	53,303	1.7
39,200	Spark New Zealand Limited	115,545	156,597	5.1
59,000	Telecom Italia S.p.A.	101,782	31,470	1.0
6,600	Telefonica S.A., Rights (Exp. 07/06/2020)	1,945	1,763	0.1
6,600	Telefonica, S.A.	106,467	42,753	1.4
11,450	Telia Company AB	77,503	58,053	1.9
4,000	TELUS Corporation	81,240	91,080	2.9
1,799	Verizon Communications Inc.	115,701	134,645	4.4
4,100	Vivendi S.A.	119,342	142,832	4.6
28,127	Vodafone Group PLC	124,175	60,970	2.0
		1,489,609	1,082,291	35.1
Energy				
2,675	Inter Pipeline Ltd.	58,690	33,812	1.1
2,100	TC Energy Corporation	132,123	121,800	3.9
		190,813	155,612	5.0
Utilities				
1,300	Ameren Corporation	77,299	124,177	4.0
1,050	Duke Energy Corporation	101,679	113,882	3.7
4,250	E.ON SE	53,458	64,921	2.1
24,500	EDP - Energias de Portugal, S.A.	114,117	158,818	5.1
4,150	Endesa S.A.	116,652	138,814	4.5
2,650	ENGIE S.A.	64,243	44,461	1.4
10,861	Iberdrola, S.A.	99,609	170,960	5.5
9,095	National Grid PLC	188,390	151,344	4.9
4,350	Naturgy Energy Group, S.A.	126,322	109,907	3.6
2,800	PPL Corporation	130,984	98,225	3.2
3,010	RWE AG	50,241	142,827	4.6
4,700	SSE PLC	142,848	107,882	3.5
16,700	Terna S.p.A.	117,159	155,837	5.1
8,650	United Utilities Group PLC	168,238	132,444	4.3
4,090	Veolia Environnement S.A.	135,390	124,891	4.0
		1,686,629	1,839,390	59.5
Total investments		3,367,051	3,077,293	99.6
Other assets less liabilities			13,153	0.4
Net assets attributable to holders of redeemable units			3,090,446	100.0

Global Telecom & Utilities Income Fund

NOTES TO THE INTERIM FINANCIAL STATEMENTS (Unaudited)

June 30, 2020

1. GENERAL INFORMATION

Global Telecom & Utilities Income Fund (the "Fund") is an investment trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated February 25, 2011 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 March 23, 2011. On March 23, 2011, the Fund completed an initial public offering of 2,600,000 units at \$12.00 per unit for gross proceeds of \$31,200,000. On April 6, 2011, an over-allotment option was exercised for an additional 123,662 units at a price of \$12.00 per unit for gross proceeds of \$1,483,944. The address of the Fund's registered office is 610 Chartwell Road, Oakville, Ontario, L6J 4A5.

The Fund's investment objectives are to provide unitholders with monthly distributions and capital appreciation. Up until December 16, 2015 the investment objectives were to provide tax-advantaged month distributions by way of an investment strategy where the Fund provides exposure, through a forward agreement (the "Forward Agreement"), to the return, in Canadian dollars, of the underlying performance of the GTU Portfolio Trust (the "GTU Trust"). The GTU Trust portfolio was an actively managed portfolio comprised primarily of equity securities of Global Telecom Issuers and Global Utilities Issuers. On December 16, 2015 the Forward Agreement was terminated and subsequently the Fund owns the equity securities directly.

On June 22, 2016, the Fund changed its name from Global Advantaged Telecom & Utilities Income Fund to Global Telecom & Utilities Income Fund. No changes were made to the investment objective, strategies or management of the Fund.

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

Investments 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 include equities.

Investments 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

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aforementioned securities and interests may be materially different from the values that would be used had a 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. In addition to the annual redemption at 100% of NAV, the Fund's units are redeemable at 95% of their market price monthly. As a result, the Fund's units contain multiple contractual obligations and are presented as financial liabilities on transition to IFRS 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 each Thursday during the year (or, if a Thursday is not a Business Day, the Business Day following such Thursday) and on the last Business Day of each month, and any other time as may be determined by the Manager from time to time. "Business Day" means 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 represents the increase (decrease) in net assets attributable to holders of redeemable units, divided by the weighted average units outstanding for the financial year.

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 6 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.

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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 privileges. Each whole 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 HGI.UN. As at June 30, 2020, the closing price for the units was \$7.70 per unit (December 31, 2019 - \$9.21 per unit).

Redemptions

Units may be surrendered prior to 5:00 p.m. (Toronto time) on the 10th Business Day before the last Business Day of the applicable month by the holders for monthly redemption. Upon receipt by the Fund of the redemption notice the holder of a unit shall be entitled to receive a price per unit equal to the lesser of:

- a) 95% of the "market price" of the units on the principal market on which the units are quoted for trading during the 20-trading day period ending immediately before the monthly redemption date; and
- b) 100% of the "closing market price" on the principal market on which the units are quoted for trading on the monthly redemption date.

Notwithstanding the monthly redemption price formula above, at no time will the Fund pay out redemption proceeds greater than the NAV per Unit as determined on the monthly redemption date for each Unit being redeemed.

In accordance with the Fund prospectus, in addition to the monthly redemption rights, on an annual basis, units may be surrendered for redemption at the Fund's NAV per unit, subject to the required redemption notice period, in August and the unitholder will receive payment on or before the 15th Business Day of the following month.

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

	Trust units outstanding
Total outstanding as at January 1, 2019	415,484
Redeemable units redeemed	-
Total outstanding as at June 30, 2019	415,484
Total outstanding as at January 1, 2020	402,384
Redeemable units redeemed	-
Total outstanding as at June 30, 2020	402,384

The weighted average number of units outstanding during the period ended June 30, 2020 was 402,384 units (2019 – 415,484 units).

Distributions

The Fund intends to make monthly cash distributions to unitholders of record on the last Business Day of each month and pay such cash distributions on or before the 15th day of the following month. The Fund will annually determine and announce the indicative distribution amount for the following year based upon the prevailing market conditions. The distribution amount paid was \$146,870 for the period ended June 30, 2020 (2019 – \$149,574).

5. RELATED PARTY TRANSACTIONS AND OTHER EXPENSES

Management and service fees

The Manager is responsible for managing the Fund's overall business and operations and provides key management personnel to the Fund. The Fund pays its manager, Harvest, a management fee from the Fund of 1.25% per annum of the applicable average weekly NAV calculated and payable monthly in arrears, plus applicable taxes.

The Fund also pays service fees to registered dealers at the rate on 0.40%, plus applicable taxes, of the average weekly NAV of the Fund. Service fees are accrued daily and paid monthly to the manager, who in turn pays the dealers quarterly.

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

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expenses on behalf of the Fund, except for certain expenses such as interest which are paid directly by the Fund 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 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 \$1,301 for the period ended June 30, 2020 (2019 - \$1,562) and are included on the unitholder reporting costs in the Statements 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 or expense absorptions for the period ended June 30, 2020 or 2019. 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, 99.6% (December 31, 2019 – 97.8%) 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 period end, with all other factors remaining constant, net assets attributable to holders of redeemable units of the Fund would have increased or decreased by approximately \$153,865 (December 31, 2019 - \$169,327).

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.

As at June 30, 2020		
Currency	Currency exposure (\$)*	As a % of net assets
U.S. Dollar	590,100	19.1
Euro	1,574,099	50.9
New Zealand Dollar	156,714	5.1
Pound	452,642	14.6
Swedish Krona	58,053	1.9
Totals	2,831,608	91.6

*In Canadian dollars

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As at December 31, 2019		
Currency	Currency exposure (\$)*	As a % of net assets
U.S. Dollar	691,027	20.0
Euro	1,694,893	48.9
New Zealand Dollar	148,498	4.3
Pound	475,387	13.7
Swedish Krona	63,894	1.8
Totals	3,073,699	88.7

*In Canadian dollars

The non-monetary currency exposure was \$2,830,601 (December 31, 2019 – \$3,073,529) and the monetary currency exposure is \$1,007 (December 31, 2019 – \$170).

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 \$141,580 (December 31, 2019 - \$153,685) or 4.6% (December 31, 2019 – 4.4%). 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 has 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. However, the Manager does not expect that the contractual maturity will be representative of the actual cash outflows as holders of those units typically retain them for a longer period. Therefore, in order to maintain sufficient liquidity, the Fund primarily invest in securities that are actively traded in public markets and can be readily disposed of to raise liquidity.

As at June 30, 2020 and December 31, 2019, all the Fund's financial liabilities had 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 (\$)
Financial Assets				
Equities				
Common Shares	3,075,530	-	-	3,075,530
Rights	1,763	-	-	1,763
Total Financial Assets	3,077,293	-	-	3,077,293

Investments at fair value as at December 31, 2019				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Totals (\$)
Financial Assets				
Equities				
Common Shares	3,386,536	-	-	3,386,536
Total Financial Assets	3,386,536	-	-	3,386,536

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

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 and industry in which the companies held in the portfolio operate.

Geography:

As at	June 30, 2020	December 31, 2019
	% of net assets	% of net assets
United States	19.2	19.9
Spain	15.0	14.2
United Kingdom	14.7	13.7
Germany	13.0	10.9
France	10.1	10.9
Canada	7.9	9.0
Italy	7.6	8.4
Portugal	5.1	4.7
New Zealand	5.1	4.3
Sweden	1.9	1.8
Cash and other assets and liabilities	0.4	2.2
Totals	100.0	100.0

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Market Segment:

As at	June 30, 2020	December 31, 2019
	% of net assets	% of net assets
Utilities	59.5	56.2
Communication Services	35.1	35.5
Energy	5.0	6.1
Cash and other assets and liabilities	0.4	2.2
Total	100.0	100.0

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 of 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 \$301,146 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 (\$)
2032	835,613
2033	801,523
2036	134,945

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 period ended June 30, 2020 and 2019 amounted to \$nil.

9. BORROWINGS

The Fund established a revolving margin with its Prime Broker, a Canadian chartered bank. Interest charged at floating rates is included in "Interest expense" on the Statements of Comprehensive Income (Loss). The Fund has the facility in place to borrow up to 25 percent of its total assets or 33.3% of the Fund's NAV. The overdraft function is to borrow for the purpose of making investments in accordance with its investment objectives and restrictions, and to pledge its assets to secure the borrowings. The borrowing is a revolving margin that is due on demand with no fixed repayment terms.

The Fund repaid its borrowings during the prior period with no further drawdown through June 30, 2020. The amount borrowed during the prior period ended June 30, 2019 ranged between \$nil and \$51,080 and represented 0.0% to 1.4% of the Fund's net assets attributable to holders of redeemable units. For the period ended June 30, 2020 the Fund recorded interest expense of \$nil (2019 - \$155).



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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.