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

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**Harvest Brand Leaders Plus Income ETF**

**June 30, 2022**



# Harvest Brand Leaders Plus Income ETF

STATEMENTS OF FINANCIAL POSITION (Unaudited)			
As at		June 30, 2022	December 31, 2021
<b>Assets</b>			
<b>Current assets</b>			
Investments	\$	383,365,143	\$ 342,017,214
Cash		4,506,449	4,388,096
Dividends receivable		288,595	96,304
Subscriptions receivable		964,190	880,110
Unrealized appreciation on foreign currency forward contracts (Note 6)		1,403,595	4,749,236
		<b>390,527,972</b>	<b>352,130,960</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payable for investments purchased		963,956	879,160
Distributions payable (Note 4)		2,385,451	1,765,983
Payable for options contracts written		2,019,979	1,830,613
		<b>5,369,386</b>	<b>4,475,756</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>\$</b>	<b>385,158,586</b>	<b>\$ 347,655,204</b>
<b>Net assets attributable to holders of redeemable units</b>			
Series A	\$	353,207,862	\$ 316,725,828
Series B		2,701,504	2,933,187
Series U (CAD)		29,249,220	27,996,189
Series U (USD)		22,723,136	22,132,249
<b>Number of redeemable units outstanding (Note 4)</b>			
Series A		36,794,039	27,044,039
Series B		275,000	250,000
Series U		2,161,950	1,736,950
<b>Net assets attributable to holders of redeemable units per unit</b>			
Series A	\$	9.60	\$ 11.71
Series B		9.82	11.73
Series U (CAD)		13.53	16.12
Series U (USD)		10.51	12.74

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

# Harvest Brand Leaders Plus Income ETF

STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (Unaudited)			
For the period ended June 30,	2022		2021
Income			
Net gain (loss) on investments			
Dividends	\$	3,614,562	\$ 2,259,451
Net realized gain (loss) on sale of investments		9,411,696	13,960,989
Net change in unrealized appreciation (depreciation) of investments		(72,454,106)	7,869,333
Net gain (loss) on investments		(59,427,848)	24,089,773
Net gain (loss) on derivatives			
Net realized gain (loss) on options written		7,190,971	2,711,484
Net realized gain (loss) on foreign exchange		(3,193,289)	13,152,927
Net change in unrealized appreciation (depreciation) of options written		(170,932)	(643,453)
Net change in unrealized appreciation (depreciation) of foreign exchange		(3,280,002)	(7,843,344)
Net gain (loss) on derivatives		546,748	7,377,614
Total income (net)	\$	(58,881,100)	\$ 31,467,387
Expenses (Note 5)			
Management fees	\$	1,513,144	\$ 1,037,202
Withholding taxes		474,446	329,194
Unitholder reporting costs		84,999	90,515
Audit fees		14,675	15,573
Transfer agency fees		5,950	6,307
Custodian fees and bank charges		43,773	45,873
Independent Review Committee fees		5,854	7,269
Filing fees		23,923	31,130
Legal fees		6,975	6,855
Transaction costs (Note 9)		175,690	118,112
Total expenses		2,349,429	1,688,030
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(61,230,529)	\$ 29,779,357
Increase (decrease) in net assets attributable to holders of redeemable units - Series A			
	\$	(56,648,703)	\$ 27,436,898
Increase (decrease) in net assets attributable to holders of redeemable units - Series B			
		(378,368)	149,715
Increase (decrease) in net assets attributable to holders of redeemable units - Series U			
		(4,203,458)	2,192,744
Increase (decrease) in net assets attributable to holders of redeemable units per unit - Series A (Note 4)			
	\$	(1.81)	\$ 1.25
Increase (decrease) in net assets attributable to holders of redeemable units per unit - Series B (Note 4)			
		(1.52)	1.01
Increase (decrease) in net assets attributable to holders of redeemable units per unit - Series U (Note 4)			
		(2.14)	1.41

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# Harvest Brand Leaders Plus Income ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ALL SERIES (Unaudited)			
For the period ended June 30,	2022		2021
Net assets attributable to holders of redeemable units beginning of period	\$	347,655,204	\$ 230,246,081
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(61,230,529)	\$ 29,779,357
<b>Redeemable unit transactions</b>			
Proceeds from issue of redeemable units		140,085,228	48,475,063
Redemption of redeemable units		(28,815,782)	(6,941,021)
<b>Net redeemable unit transactions</b>	\$	<b>111,269,446</b>	\$ <b>41,534,042</b>
<b>Distributions to holders of redeemable units</b>			
Net investment income		(1,084,311)	(167,427)
Capital gains		(11,014,741)	(7,736,098)
Return of capital		(436,483)	(4,515)
<b>Total distributions to holders of redeemable units</b>	\$	<b>(12,535,535)</b>	\$ <b>(7,908,040)</b>
<b>Net assets attributable to holders of redeemable units end of period</b>	\$	<b>385,158,586</b>	\$ <b>293,651,440</b>

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS SERIES A (Unaudited)			
For the period ended June 30,	2022		2021
Net assets attributable to holders of redeemable units beginning of period	\$	316,725,828	\$ 208,766,104
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(56,648,703)	\$ 27,436,898
<b>Redeemable unit transactions</b>			
Proceeds from issue of redeemable units		126,111,695	38,807,433
Redemption of redeemable units		(21,452,604)	(539,233)
<b>Net redeemable unit transactions</b>	\$	<b>104,659,091</b>	\$ <b>38,268,200</b>
<b>Distributions to holders of redeemable units</b>			
Net investment income		(989,023)	(124,204)
Capital gains		(10,102,848)	(7,091,942)
Return of capital		(436,483)	-
<b>Total distributions to holders of redeemable units</b>	\$	<b>(11,528,354)</b>	\$ <b>(7,216,146)</b>
<b>Net assets attributable to holders of redeemable units end of period</b>	\$	<b>353,207,862</b>	\$ <b>267,255,056</b>

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## Harvest Brand Leaders Plus Income ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS SERIES B (Unaudited)			
For the period ended June 30,	2022		2021
Net assets attributable to holders of redeemable units beginning of period	\$	2,933,187	\$ 1,285,292
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(378,368)	\$ 149,715
<b>Redeemable unit transactions</b>			
Proceeds from issue of redeemable units		1,917,350	1,338,345
Redemption of redeemable units		(1,679,165)	(531,855)
<b>Net redeemable unit transactions</b>	<b>\$</b>	<b>238,185</b>	<b>\$ 806,490</b>
<b>Distributions to holders of redeemable units</b>			
Net investment income		(8,102)	(3,488)
Capital gains		(83,398)	(42,132)
Return of capital		-	(4,515)
<b>Total distributions to holders of redeemable units</b>	<b>\$</b>	<b>(91,500)</b>	<b>\$ (50,135)</b>
<b>Net assets attributable to holders of redeemable units end of period</b>	<b>\$</b>	<b>2,701,504</b>	<b>\$ 2,191,362</b>

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS SERIES U (Unaudited)			
For the period ended June 30,	2022		2021
Net assets attributable to holders of redeemable units beginning of period	\$	27,996,189	\$ 20,194,685
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(4,203,458)	\$ 2,192,744
<b>Redeemable unit transactions</b>			
Proceeds from issue of redeemable units		12,056,183	8,329,285
Redemption of redeemable units		(5,684,013)	(5,869,933)
<b>Net redeemable unit transactions</b>	<b>\$</b>	<b>6,372,170</b>	<b>\$ 2,459,352</b>
<b>Distributions to holders of redeemable units</b>			
Net investment income		(87,186)	(39,735)
Capital gains		(828,495)	(602,024)
<b>Total distributions to holders of redeemable units</b>	<b>\$</b>	<b>(915,681)</b>	<b>\$ (641,759)</b>
<b>Net assets attributable to holders of redeemable units end of period</b>	<b>\$</b>	<b>29,249,220</b>	<b>\$ 24,205,022</b>

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

# Harvest Brand Leaders Plus Income ETF

## STATEMENTS OF CASH FLOWS (Unaudited)

For the period ended June 30,	2022	2021
<b>Operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (61,230,529)	\$ 29,779,357
<b>Add (deduct) items not affecting cash:</b>		
Foreign exchange (gain) loss of cash	61,701	87,756
Realized (gain) loss on sale of investments	(9,411,696)	(13,960,989)
Realized (gain) loss on options written	(7,190,971)	(2,711,484)
Change in unrealized (appreciation) depreciation of investments	72,454,106	(7,869,333)
Change in unrealized (appreciation) depreciation of options written	170,932	643,453
Change in unrealized (appreciation) depreciation of foreign exchange	3,280,002	7,843,344
Proceeds from sale of investments*	64,560,189	70,569,819
Purchases of investments*	(50,692,143)	(78,991,573)
Net change in non-cash assets and liabilities	(126,652)	113,232
<b>Net cash flow provided by (used in) operating activities</b>	<b>\$ 11,874,939</b>	<b>\$ 5,503,582</b>
<b>Financing activities</b>		
Net proceeds from redeemable units issued*	227,239	2,703,502
Net redemption of redeemable units*	(6,057)	28,223
Distributions paid to holders of redeemable units (net of reinvestments)	(11,916,067)	(7,706,773)
<b>Net cash flow provided by (used in) financing activities</b>	<b>\$ (11,694,885)</b>	<b>\$ (4,975,048)</b>
Net increase (decrease) in cash during the period	180,054	528,534
Foreign exchange gain (loss) on cash	(61,701)	(87,756)
Cash, beginning of the period	4,388,096	7,836,073
<b>Cash, end of the period</b>	<b>\$ 4,506,449</b>	<b>\$ 8,276,851</b>
<b>Supplemental disclosure of cash flow information</b>		
Dividends received, net of withholding taxes**	\$ 2,948,162	\$ 1,966,188

\*excludes applicable trades that were not settled in cash (in-kind trades)

\*\*included in operating activities

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

# Harvest Brand Leaders Plus Income ETF

SCHEDULE OF INVESTMENTS (Unaudited)				
As at June 30, 2022				
Number of Shares*	Security	Average Cost (\$)	Fair Value (\$)	% of Net Assets
<b>EQUITIES</b>				
<b>Communication Services</b>				
6,757	Alphabet Inc., Class A	18,072,107	18,954,354	4.9
139,105	The Walt Disney Company	24,653,682	16,902,882	4.4
321,391	Verizon Communications Inc.	22,576,421	20,994,996	5.4
		65,302,210	56,852,232	14.7
<b>Consumer Discretionary</b>				
66,543	McDonald's Corporation	18,422,016	21,146,296	5.5
127,754	NIKE, Inc., Class B	20,299,363	16,806,274	4.4
		38,721,379	37,952,570	9.9
<b>Consumer Staples</b>				
94,388	PepsiCo, Inc.	17,603,195	20,248,562	5.3
106,716	The Procter & Gamble Company	19,499,574	19,751,690	5.1
		37,102,769	40,000,252	10.4
<b>Energy</b>				
270,745	Shell PLC ADR	15,913,056	18,223,220	4.7
		15,913,056	18,223,220	4.7
<b>Financials</b>				
434,141	Bank of America Corporation	23,880,033	17,396,263	4.5
130,919	JPMorgan Chase & Co.	22,317,658	18,976,917	4.9
190,873	Morgan Stanley	17,704,340	18,687,313	4.9
		63,902,031	55,060,493	14.3
<b>Health Care</b>				
88,996	Johnson & Johnson	17,709,218	20,334,774	5.3
32,187	UnitedHealth Group Incorporated	16,116,330	21,280,259	5.5
		33,825,548	41,615,033	10.8
<b>Industrials</b>				
74,364	Caterpillar Inc.	18,417,570	17,111,147	4.4
91,055	United Parcel Service, Inc., Class B	20,484,265	21,394,782	5.6
		38,901,835	38,505,929	10.0
<b>Information Technology</b>				
53,402	Accenture PLC, Class A	18,639,725	19,085,398	5.0
104,647	Apple Inc.	16,537,076	18,416,405	4.8
362,266	Intel Corporation	23,814,318	17,444,612	4.5
60,742	Microsoft Corporation	18,105,027	20,080,794	5.2
79,421	Visa Inc., Class A	20,004,841	20,128,205	5.2
		97,100,987	95,155,414	24.7
<b>Total equities</b>		<b>390,769,815</b>	<b>383,365,143</b>	<b>99.5</b>

# Harvest Brand Leaders Plus Income ETF

## SCHEDULE OF INVESTMENTS (continued) (Unaudited)

As at June 30, 2022

Number of Shares*	Security	Average Cost (\$)	Fair Value (\$)	% of Net Assets
<b>OPTIONS</b>				
<b>Communication Services</b>				
(600)	Alphabet Inc. - Jul 2022 @ USD \$2,285	(48,834)	(25,486)	-
(20,500)	The Walt Disney Company - Jul 2022 @ USD \$95	(75,214)	(66,761)	-
(95,100)	Verizon Communications Inc. - Jul 2022 @ USD \$50.5	(94,640)	(94,258)	-
		(218,688)	(186,505)	-
<b>Consumer Discretionary</b>				
(13,100)	McDonald's Corporation - Jul 2022 @ USD \$240	(76,157)	(161,035)	(0.1)
(12,600)	NIKE, Inc. - Jul 2022 @ USD \$110	(81,390)	(10,704)	-
(25,200)	NIKE, Inc. - Jul 2022 @ USD \$112	(152,557)	(12,975)	-
		(310,104)	(184,714)	(0.1)
<b>Consumer Staples</b>				
(23,200)	PepsiCo, Inc. - Jul 2022 @ USD \$162.5	(81,995)	(184,255)	(0.1)
(10,500)	The Procter & Gamble Company - Jul 2022 @ USD \$136	(48,834)	(117,248)	-
(10,500)	The Procter & Gamble Company - Jul 2022 @ USD \$144	(39,230)	(33,654)	-
		(170,059)	(335,157)	(0.1)
<b>Energy</b>				
(26,700)	Shell PLC - Jul 2022 @ USD \$55	(36,563)	(20,621)	-
		(36,563)	(20,621)	-
<b>Financials</b>				
(85,600)	Bank of America Corporation - Jul 2022 @ USD \$33.5	(95,105)	(17,630)	-
(19,300)	JPMorgan Chase & Co. - Jul 2022 @ USD \$117	(69,069)	(26,830)	-
(28,200)	Morgan Stanley - Jul 2022 @ USD \$75	(94,721)	(112,527)	-
		(258,895)	(156,987)	-
<b>Health Care</b>				
(21,900)	Johnson & Johnson - Jul 2022 @ USD \$175	(70,732)	(127,699)	-
(9,500)	UnitedHealth Group Incorporated - Jul 2022 @ USD \$475	(205,339)	(525,210)	(0.2)
		(276,071)	(652,909)	(0.2)
<b>Industrials</b>				
(7,300)	Caterpillar Inc. - Jul 2022 @ USD \$200	(47,161)	(3,571)	-
(8,900)	United Parcel Service, Inc. - Jul 2022 @ USD \$175	(52,315)	(109,405)	-
		(99,476)	(112,976)	-
<b>Information Technology</b>				
(10,500)	Accenture PLC - Jul 2022 @ USD \$285	(125,245)	(59,469)	-
(20,600)	Apple Inc. - Jul 2022 @ USD \$138	(101,130)	(88,830)	-
(35,700)	Intel Corporation - Jul 2022 @ USD \$38.5	(41,970)	(28,950)	-
(11,900)	Microsoft Corporation - Jul 2022 @ USD \$257.5	(99,844)	(94,970)	-
(19,500)	Visa Inc. - Jul 2022 @ USD \$200	(97,153)	(97,891)	(0.1)
		(465,342)	(370,110)	(0.1)
<b>Total options</b>		<b>(1,835,198)</b>	<b>(2,019,979)</b>	<b>(0.5)</b>



## Harvest Brand Leaders Plus Income ETF

SCHEDULE OF INVESTMENTS (continued)				
(Unaudited)				
As at June 30, 2022				
Number of Shares*	Security	Average Cost (\$)	Fair Value (\$)	% of Net Assets
	<b>Total investments</b>	<b>388,934,617</b>	<b>381,345,164</b>	<b>99.0</b>
	<b>Foreign currency forward contracts (Note 6)</b>		<b>1,403,595</b>	<b>0.4</b>
	<b>Other assets less liabilities</b>		<b>2,409,827</b>	<b>0.6</b>
	<b>Net assets attributable to holders of redeemable units</b>		<b>385,158,586</b>	<b>100.0</b>

\* For options, this represents the total number of shares of the equity position available for assignment under the terms of the option contracts

# Harvest Brand Leaders Plus Income ETF

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (Unaudited)

June 30, 2022

### 1. GENERAL INFORMATION

Harvest Brand Leaders Plus Income ETF (the “Fund”) is an investment fund established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated June 26, 2014 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 July 24, 2014. On July 24, 2014, the Fund completed an initial public offering of 4,467,950 Series A units at \$10.00 per unit for gross proceeds of \$44,679,500 and 332,050 Series U units at \$10.00 USD per unit for gross proceeds of \$3,320,500 USD (\$3,568,376 CAD). On August 12, 2014, an overallotment option was exercised for an additional 215,000 Series A units at a price of \$10.00 per unit for gross proceeds of \$2,150,000. The address of the Fund’s registered office is 610 Chartwell Rd, Oakville, Ontario L6J 4A5.

The Fund’s investment objectives are to provide unitholders with monthly cash distributions, the opportunity for capital appreciation and lower overall volatility of Portfolio returns than would otherwise be experienced by owning Equity Securities<sup>1</sup> of the Brand Leaders<sup>1</sup> directly. As part of the investment strategy, the Fund will invest in an equally-weighted portfolio of equity securities of 20 Brand Leaders from the Brand Leaders Investable Universe<sup>1</sup> that have a market capitalization of at least US\$10 billion at the time of investment.

On September 19, 2016, unitholders approved the conversion of the Series A and Series U units of the Fund into an Exchange Traded Fund (“ETF”) effective October 24, 2016 and the name of the Fund changed to Brand Leaders Plus Income ETF. The Series A units began trading as an ETF under the symbol HBF and the Series U units began trading under the symbol HBF.U. The Series U units are designed for investors who want to make their investment in U.S. dollars and were not traded prior to conversion.

On June 14, 2018, the Fund changed its name from Brand Leaders Plus Income ETF to Harvest Brand Leaders Plus Income ETF. No changes were made to the investment objective, strategies or management of the Fund.

On March 10, 2020, the Fund began offering Series B Units. The initial price was \$9.00 per unit and 125,000 units were issued. The Series B Units began trading under the symbol HBF.B. The Series B Units are unhedged and designed for investors who want to maintain exposure to currency fluctuations of the foreign denominated holdings in the Fund compared to the Canadian dollar.

### 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, 2022.

### 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, 2022 and December 31, 2021, there were no differences between the Fund’s NAV per security and its net assets per security calculated in accordance with IFRS 9.

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<sup>1</sup> As defined in the Fund’s prospectus dated June 6, 2022.

# Harvest Brand Leaders Plus Income ETF

## **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. Derivatives held include options and foreign currency forward contracts.

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 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 included 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.

## **Allocation of income and expense, and realized and unrealized capital gains and losses**

Management fees directly attributable to a series are charged to that series. The Fund's shared operating expenses, income, and realized and unrealized capital gains and losses are generally allocated proportionately to each series based upon the relative net assets attributable to holders of redeemable units of each series. Realized and unrealized gains and losses from foreign currency forward contracts are allocated to Series A only.

## **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 options are included in the Statements of Comprehensive Income (Loss) in "Net realized gain (loss) on options written" and "Net change in unrealized appreciation (depreciation) of options written", respectively. Realized and unrealized foreign currency gains or losses on assets and liabilities, other than investments and options, 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.

## **Foreign currency forward contracts**

The Fund will enter into foreign currency forward contracts to hedge against exposure to foreign currency fluctuations. The fair value of these contracts is based on the difference between the contract rate and current forward market rate for the underlying currency at the measurement date applied to the contract's notional amount and adjusted for counterparty risk. Upon closing of a contract, the gain or loss is included in the Statements of Comprehensive Income (Loss) in "Net realized gain (loss) on foreign exchange". The unrealized gains or losses on forward contracts are included in the Statements of Comprehensive Income (Loss) in "Net change in unrealized appreciation (depreciation) of foreign exchange" and are allocated to Series A only until closed out or partially settled.

# Harvest Brand Leaders Plus Income ETF

## Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

## Redeemable units valuation

The NAV of each series on a particular date will be equal to each series' proportionate share of the assets of the Fund less each series' proportionate share of the liabilities of the Fund except for the forwards which are only attributed to Series A, 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 ("Business Day").

## Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a pre-determined price. The seller receives a premium from the purchaser in consideration for the assumption of a future securities price.

The premium received upon writing an option is recorded at cost as "Payable for option contracts written" in the Statements of Financial Position. As long as the position of the written option is maintained, the liability for written options is revalued at an amount equal to the current market value of the option. Any gain or loss resulting from revaluation is reflected in the Statements of Comprehensive Income (Loss) in "Net changes in unrealized appreciation (depreciation) of options written".

The gain or loss on sale or expiry of options is reflected in the Statements of Comprehensive Income (Loss) in "Net realized gain (loss) on options written".

## 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 per series, divided by the weighted average units outstanding for the financial period for the respective series.

## 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 each series, each of which represents an equal, undivided interest in their respective series' net assets of the Fund. Except as provided in the Declaration of Trust, all units have equal rights and 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. Series A units, Series B units and Series U units trade on the TSX under the symbol HBF, HBF.B and HBF.U, respectively. Prior to conversion to an ETF, the Series U units did not trade. As at June 30, 2022, the closing price for Series A, Series B and Series U units was \$9.59, \$9.80 and \$10.52 USD per unit, respectively (December 31, 2021 – Series A \$11.74; Series B \$11.85; Series U \$12.78 USD).

## Subscriptions and Redemptions

On any Business 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.

# Harvest Brand Leaders Plus Income ETF

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 redeemed; or
- (b) Cash in the amount equal to the NAV of the units redeemed.

On any Business 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:

	Series A	Series B	Series U
<b>Total outstanding as at January 1, 2021</b>	<b>20,444,039</b>	<b>125,000</b>	<b>1,436,950</b>
Redeemable units issued	3,575,000	125,000	575,000
Redeemable units redeemed	(50,000)	(50,000)	(400,000)
<b>Total outstanding as at June 30, 2021</b>	<b>23,969,039</b>	<b>200,000</b>	<b>1,611,950</b>
<b>Total outstanding as of January 1, 2022</b>	<b>27,044,039</b>	<b>250,000</b>	<b>1,736,950</b>
Redeemable units issued	11,700,000	175,000	800,000
Redeemable units redeemed	(1,950,000)	(150,000)	(375,000)
<b>Total outstanding as at June 30, 2022</b>	<b>36,794,039</b>	<b>275,000</b>	<b>2,161,950</b>

The weighted average number of units outstanding during the period ended June 30, 2022 was 31,288,790 units for Series A (2021 – 21,942,520 units), 249,724 units for Series B (2021 – 148,066 units) and 1,961,812 for Series U (2021 – 1,550,486 units).

## 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. 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 15<sup>th</sup> day of the following month.

The total distribution amount was \$12,535,535 (Series A \$11,528,354, Series B \$91,500 and Series U \$915,681) for the period ended June 30, 2022 (2021 – Series A \$7,216,146; Series B \$50,135; Series U \$641,759).

The Fund may pay additional year end distributions in the form of reinvested units that are subsequently consolidated. There is no impact on NAV per unit, however such reinvested distributions increase the cost base of units held.

The Fund made available to unitholders the opportunity to reinvest monthly distributions from the Fund in additional Series A, Series B and/or Series U units, as applicable, by participating in a distribution reinvestment plan which would provide that cash distributions made by the Fund, at the election of a unitholder, be automatically reinvested in additional Series A, Series B or Series U units, as applicable, on such unitholder's behalf in accordance with the terms of the plan. Reinvestment of distributions occur through market purchases only.

## 5. RELATED PARTY TRANSACTIONS AND OTHER EXPENSES

The Fund pays management fees and other expense reimbursements to Harvest, as noted below in Management Fees, Operating Expenses and Other Expenses sections.

In addition, other ETFs that are managed by Harvest invest in units of the Fund. The Fund does not receive or pay any commission to Harvest or the related ETFs on these transactions. The related ETFs purchased (sold) a total of \$30,636,925 of Class A units of the Fund during the period ending June 30, 2022.

As at June 30, 2022, the related ETFs owned 2,869,365 Class A units or 7.2% of the Fund.

# Harvest Brand Leaders Plus Income ETF

## 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 0.75% 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. 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 \$67,531 for the period ended June 30, 2022 (2021 - \$72,357) 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 or expense absorptions for the period ended June 30, 2022 or 2021.

## 6. FOREIGN CURRENCY FORWARD CONTRACTS

The Fund enters into foreign currency forward contracts to hedge assets and liabilities denominated in foreign currencies of Series A only. Foreign currency forward contracts entered into by the Fund represent a firm commitment to buy or sell a currency at a specified value and point in time based upon an agreed or contracted quantity. The value of each foreign currency forward contract is the difference between the contract rate and the current forward rate at the measurement date applied to the contract's notional amount and adjusted for counterparty risk.

At June 30, 2022 and December 31, 2021, the Fund had entered into the following foreign currency forward contracts:

As at June 30, 2022					
Counterparty	Settlement date	Purchased currency	Sold currency	Unrealized gain (loss)	Contract price
Royal Bank of Canada, credit rating AA-	July 13, 2022	CAD \$39,740,870	USD \$30,851,000	\$30,959	0.7763
National Bank of Canada credit rating A	July 13, 2022	CAD \$39,722,205	USD \$30,851,000	\$12,294	0.7767
Toronto Dominion Bank credit rating AA-	August 17, 2022	CAD \$133,920,461	USD \$103,499,000	\$700,871	0.7728
Canadian Imperial Bank of Commerce credit rating A+	August 17, 2022	CAD \$133,879,061	USD \$103,499,000	\$659,471	0.7731
<b>Total</b>				<b>\$1,403,595</b>	

## Harvest Brand Leaders Plus Income ETF

As at December 31, 2021					
Counterparty	Settlement date	Purchased currency	Sold currency	Unrealized gain (loss)	Contract price
Royal Bank of Canada, credit rating AA-	January 19, 2022	CAD \$54,900,385	USD \$43,301,000	\$126,064	0.7887
National Bank of Canada credit rating A	January 19, 2022	CAD \$54,872,803	USD \$43,301,000	\$98,481	0.7891
Canadian Imperial Bank of Commerce credit rating A+	February 11, 2022	CAD \$96,719,518	USD \$74,699,000	\$2,224,555	0.7723
Toronto Dominion Bank credit rating AA-	February 11, 2022	CAD \$96,627,041	USD \$74,699,000	\$2,132,077	0.7731
Canadian Imperial Bank of Commerce credit rating A+	February 11, 2022	CAD \$14,336,168	USD \$11,200,000	\$168,059	0.7812
<b>Total</b>				<b>\$4,749,236</b>	

### Offsetting of foreign currency forward contracts

As at June 30, 2022 and December 31, 2021, the Fund did not have any foreign exchange settlements for its foreign currency forward contracts that met the criteria for offsetting in the Statements of Financial Position. The following tables present the recognized financial instruments that were not offset as at June 30, 2022 and December 31, 2021. There would be no further offsetting in the event of bankruptcy of the counterparty.

June 30, 2022			
Financial assets and liabilities	Gross assets (liabilities)	Amounts eligible for offset	Net offset amounts
Derivative assets	\$1,403,595	-	\$1,403,595
Derivative liabilities	-	-	-

December 31, 2021			
Financial assets and liabilities	Gross assets (liabilities)	Amounts eligible for offset	Net offset amounts
Derivative assets	\$4,749,236	-	\$4,749,236
Derivative liabilities	-	-	-

## 7. 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 spread of the coronavirus has caused volatility in the global financial markets and impacted the global economy. Locally and globally restrictions have eased and appear to be less likely in the future however the lasting effects of the previous restrictions have impacted the economy with rising inflation and resulting rising interest rates. In addition to this, the war in Ukraine has further contributed to rising inflation and has added to the economic and financial markets instability. Both events have significantly impacted global economies and financial markets and there is uncertainty as to how long this will last or the impact on the financial performance of the Fund's investments and the Fund's future investments.



# Harvest Brand Leaders Plus Income ETF

As at June 30, 2022, 99.5% (December 31, 2021 – 98.4%) 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 would have increased or decreased by approximately \$19,168,257 (December 31, 2021 - \$17,100,861).

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, 2022				
Currency	Currency exposure*	Forward contracts*	Net currency exposure*	As a % of net assets
U.S. Dollar	\$383,311,332	\$345,859,003	\$37,452,329	9.7

\*In Canadian dollars

As at December 31, 2021				
Currency	Currency exposure*	Forward contracts*	Net currency exposure*	As a % of net assets
U.S. Dollar	\$343,219,567	\$312,706,679	\$30,512,888	8.8

\*In Canadian dollars

The non-monetary currency exposure was \$381,345,164 (December 31, 2021 - \$340,186,601) and the monetary currency exposure was \$1,966,168 (December 31, 2021 - \$3,032,966).

As at June 30, 2022, if the Canadian dollar had strengthened or weakened by 5% in relation to U.S. dollars, 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 \$1,872,616 (December 31, 2021 - \$1,525,644) or 0.5% (December 31, 2021 – 0.4%) based on the net currency exposure. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

The Fund enters into a foreign currency forward contract on substantially all of the value of the proportionate share of Series A portfolio investments back to the Canadian dollar at all times.

## 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, 2022 and December 31, 2021, 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, 2022 and December 31, 2021, 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



## Harvest Brand Leaders Plus Income ETF

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.

The Fund enters into foreign currency forward contracts which are exposed to credit risk. The maximum credit risk exposure is the unrealized gain on the forward contracts.

As at June 30, 2022 and December 31, 2021, 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.

Securities classification:

Investments at fair value as at June 30, 2022				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Totals (\$)
<b>Financial Assets</b>				
<b>Equities</b>				
Common Stock	365,141,923	-	-	365,141,923
ADR	18,223,220	-	-	18,223,220
<b>Derivatives</b>				
Foreign currency forward contracts	-	1,403,595	-	1,403,595
<b>Total Financial Assets</b>	<b>383,365,143</b>	<b>1,403,595</b>	<b>-</b>	<b>384,768,738</b>
<b>Financial Liabilities</b>				
<b>Derivatives</b>				
Options	(2,019,979)	-	-	(2,019,979)
<b>Total Financial Liabilities</b>	<b>(2,019,979)</b>	<b>-</b>	<b>-</b>	<b>(2,019,979)</b>

## Harvest Brand Leaders Plus Income ETF

Investments at fair value as at December 31, 2021				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Totals (\$)
<b>Financial Assets</b>				
<b>Equities</b>				
Common Stock	327,129,310	-	-	327,129,310
ADR	14,887,904	-	-	14,887,904
<b>Derivatives</b>				
Foreign currency forward contracts	-	4,749,236	-	4,749,236
<b>Total Financial Assets</b>	<b>342,017,214</b>	<b>4,749,236</b>	<b>-</b>	<b>346,766,450</b>
<b>Financial Liabilities</b>				
<b>Derivatives</b>				
Options	(1,830,613)	-	-	(1,830,613)
<b>Total Financial Liabilities</b>	<b>(1,830,613)</b>	<b>-</b>	<b>-</b>	<b>(1,830,613)</b>

There were no Level 3 securities held by the Fund as at June 30, 2022 and December 31, 2021, and there were no significant transfers between Level 1 and Level 2 for the period ended June 30, 2022 and 2021.

The value of the equities and options is based on quoted prices. The value of the foreign currency forward contract is determined as the difference between the contract rate and the current forward rate at the measurement date applied to the contract's notional amount and adjusted for counterparty risk.

### 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, 2022	December 31, 2021
	% of net assets	% of net assets
United States	94.8	94.1
Netherlands	4.7	4.3
Cash and other assets and liabilities	0.6	0.7
Foreign currency forward contracts	0.4	1.4
Options	(0.5)	(0.5)
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>

# Harvest Brand Leaders Plus Income ETF

Market Segment:

As at	June 30, 2022	December 31, 2021
	% of net assets	% of net assets
Information Technology	24.7	24.6
Communication Services	14.7	14.2
Financials	14.3	13.4
Health Care	10.8	10.2
Consumer Staples	10.4	10.9
Industrials	10.0	10.3
Consumer Discretionary	9.9	10.5
Energy	4.7	4.3
Cash and other assets and liabilities	0.6	0.7
Foreign currency forward contracts	0.4	1.4
Options	(0.5)	(0.5)
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## 8. 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. 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 no capital or non-capital losses available to be carried forward for income tax purposes.

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.

## 9. 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, 2022 and 2021 amounted to \$nil.



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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.