



**INTERIM MANAGEMENT REPORT OF FUND
PERFORMANCE**

Harvest Brand Leaders Enhanced Income ETF

June 30, 2023



Harvest Brand Leaders Enhanced Income ETF

CORPORATE OVERVIEW

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

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

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

The interim management report of fund performance contains financial highlights but does not contain the complete interim financial statements of the Fund. You can get a copy of the interim financial statements at your request, and at no cost, by calling toll free at 1-866-998-8298; by writing to us at Harvest ETFs, 610 Chartwell Rd, Suite 204, Oakville, Ontario, L6J 4A5; or by visiting our website at www.harvestetfs.com; or on SEDAR at www.sedar.com.

Unitholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

INVESTMENT OBJECTIVES AND STRATEGY

The Fund's investment objectives are to provide unitholders with high monthly cash distributions and the opportunity for capital appreciation by investing, on a levered basis, in the Harvest Brand Leaders Plus Income ETF (“Underlying ETF” or “HBF”) an exchange traded mutual fund managed by the Manager that is listed on a recognized Canadian stock exchange and that engages in covered call strategies.

HBF's investment objective is to provide unitholders with (i) monthly cash distributions; (ii) the opportunity for capital appreciation; and (iii) lower overall volatility of portfolio returns than would otherwise be experienced by owning Equity Securities of the Brand Leaders directly. To achieve lower overall volatility of portfolio returns, HBF will generally write covered call options on up to 33% of the portfolio securities. The level of covered call option writing may vary based on market volatility and other factors.

The Fund is considered an alternative mutual fund within the meaning of NI 81-102 and is permitted to invest in asset classes or use investment strategies that are not permitted for other types of mutual funds. As an alternative mutual fund, under NI 81-102, the Fund is permitted to use strategies generally prohibited by conventional mutual funds, including the ability to invest in other alternative mutual funds, borrow cash to use for investment purposes and increased ability to invest in commodities. While these specific strategies will be used in accordance with the Fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which an investment decreases in value.

Further information including defined terms can be found in the Fund's most recent prospectus which is located at www.harvestetfs.com; or on SEDAR at www.sedar.com.

RISK

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

RESULTS OF OPERATIONS

The Fund began trading following the listing of its units on October 25, 2022 consisting of 100,000 units at \$10.00 for proceeds of \$1,000,000. Performance information is not available for periods less than one year.

Below is a discussion of the results of operations of HBF during the six-month period.

U.S. equity markets declined sharply during 2022 as several factors began to weigh on investor sentiment following strong performance in the previous two years. Inflation rates rose sharply and remained elevated throughout the year leading to an increasingly hawkish U.S. Federal Reserve and rising interest rates. This rise in interest rates put downward pressure on all stocks however growth stocks, such as those found in the technology sector, were particularly impacted early in the year because the valuation of these companies tends to be more dependent on future earnings. In late February the Russian invasion of Ukraine and the sanctions enacted by NATO countries in response led to a temporary but sharp increase in commodity prices that further exacerbated global inflation pressures and added an additional element of uncertainty for market participants. Finally, in the second half of the year signs began to emerge that a slowdown in the economy was unfolding faster than previously expected which in turn led to rising fears that corporate earnings may be at risk due to falling demand and weakening profit margins.

Relative to the benchmark, key factors that negatively impacted the underlying performance of HBF included its positions in Information Technology and Communication Services sectors, which underperformed the broader market in a weak environment for growth stocks. Weak performance in its allocation to Financials stocks also hurt performance as bank stocks held in HBF such as Bank of America Corporation and JPMorgan Chase & Co. were laggards while insurance stocks in the benchmark that are not held in HBF generally outperformed the broader index. Additionally, HBF's relative performance was also negatively impacted by a lack of exposure to the Utilities sector and underweight in Health Care stocks. Due to the nature of HBF's mandate, Utilities are not represented in its investable universe, while the Health Care sector is under-represented relative to the benchmark.

Harvest Brand Leaders Enhanced Income ETF

These negative factors were offset in part by investments in McDonald's Corporation which has benefited from a combination of a reopening of the global economy in the wake of the coronavirus ("COVID-19") pandemic as well as a perception among investors that the company will be relatively insulated from rising inflation and slowing demand for goods and services generally as consumers "trade down" from higher cost alternatives. Additionally, HBF benefited from its position in Shell PLC, which represented a modest overweight in the energy sector relative to the benchmark. The Energy sector was the best performing group this year as prices for oil and natural gas rose dramatically, particularly in the first half. Growth in demand for oil and natural gas as the global economy rebounds from the pandemic has outpaced supply growth following several years of underinvestment in production capacity. This supply/demand imbalance has been exacerbated by the Russia-Ukraine conflict and resulting sanctions impacting Russia's Energy sector.

Looking forward, we expect that market volatility will remain high during 2023, driven largely by ongoing uncertainty related to inflation and economic growth and the related impact on monetary policy by the U.S. Federal Reserve. Although the probability of a cataclysmic event stemming from the war in Ukraine appears low at this time, it seems unlikely that a resolution to end the conflict will be reached in the near term and the potential for escalation remains elevated.

HBF used covered calls to generate additional income.

RECENT DEVELOPMENTS

COVID-19 and the war in Ukraine have had significant impacts to the global economy over the last few years and have contributed to the current inflationary pressures. The significant increase in interest rates globally by central banks to address inflation has increased the likelihood of a global recession impacting financial markets and global economies which may impact the financial performance of the Fund's investments. The Fund's future investment results may be materially adversely affected as a result.

RELATED PARTY TRANSACTIONS

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

MANAGEMENT AND OTHER FEES

The Manager is responsible for managing the Fund's overall business and operations and provides key management personnel to the Fund. The Fund does not pay management fees directly to the Manager. However, the Underlying ETF held by the Fund will pay management fees and incur operating and trading expenses. The Fund invests in an ETF that is managed by the Manager. With respect to such investment, no management fees or incentive fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by such Underlying ETF for the same service. The Underlying ETF in which the Fund invests will pay applicable management fees. As a result, the actual aggregate management fees indirectly payable to the Manager in respect of an investment in the Fund will be greater than nil.

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. The following expenses are included in the unitholder reporting costs on the Statement of Comprehensive Income (Loss):

For the six-month period ended	Amount (\$)
June 30, 2023	394

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 six-month period ended June 30, 2023. The Manager absorbed the following expenses and may cease doing so at any time without notice to unitholders:

For the six-month period ended	Amount (\$)
June 30, 2023	49,701

The management expense ratios of the Fund with and without the waivers and absorptions are reported in the Ratios and Supplemental Data table below.

Harvest Brand Leaders Enhanced Income ETF

LOAN FACILITY

The Fund has entered into prime broker agreements with two wholly owned subsidiaries of Canadian chartered banks (the "Prime Brokers") in order to facilitate borrowing for the purpose of investing in accordance with its investment strategy. The Fund may borrow against collateral on deposit with the Prime Brokers with such borrowing being repayable on demand. Interest is payable on any borrowings at a variable rate of interest that is calculated daily and payable monthly. The interest incurred during the six-month period is presented as interest expense on the Statement of Comprehensive Income (Loss) in the financial statements.

The table below summarizes the minimum and maximum amount borrowed under the agreement, the interest incurred, and the range of variable rate of interest during the six-month period:

For the six-month period ended	June 30, 2023
Minimum amount borrowed	\$393,466
Maximum amount borrowed	\$1,057,811
Interest expense	\$18,571
Range of variable rate of interest	4.80% - 5.30%

The Fund may borrow up to 33% but intends to borrow approximately 25% of its net asset value at any given time. The amount of borrowing and the percentage of the net asset value of the Fund is as follows:

As at	June 30, 2023	December 31, 2022
Amount of borrowing	\$1,057,811	\$453,466
Amount borrowed as % of net assets	25.3%	25.7%
Market value of Underlying ETF held as collateral at prime broker	\$3,578,029	\$1,503,122

RECOMMENDATIONS OR REPORTS BY THE INDEPENDENT REVIEW COMMITTEE

The Independent Review Committee tabled no special reports and made no extraordinary material recommendations to management of the Fund during the six-month period ended June 30, 2023.

Harvest Brand Leaders Enhanced Income ETF

FINANCIAL HIGHLIGHTS

The following tables present selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the six-month period ended June 30, 2023 and past annual periods. This information is derived from the Fund's interim financial statements and past annual audited financial statements.

THE FUND'S NET ASSETS PER UNIT	2023		2022	
Net assets - beginning of the period	\$	10.09	\$	10.00
Increase (decrease) from operations				
Total revenue		0.07		0.03
Total expenses		(0.07)		(0.02)
Unrealized gains (losses) for the period		0.78		(0.06)
Total increase (decrease) from operations¹	\$	0.78	\$	(0.05)
Distributions³				
From net investment income		(0.05)		(0.01)
Return of capital		(0.44)		(0.15)
Total annual distributions³	\$	(0.49)	\$	(0.16)
Net assets - end of the period¹	\$	10.46	\$	10.09

RATIOS AND SUPPLEMENTAL DATA	2023		2022	
Total net asset value (\$000's)	\$	4,182	\$	1,765
Number of units outstanding (000's)		400		175
Management expense ratio ⁴		2.44%		1.95%
Management expense ratio excluding the costs of financing ⁴		1.16%		1.09%
Management expense ratio before waivers or absorptions ⁴		5.86%		18.12%
Trading expense ratio ⁵		0.17%		0.22%
Portfolio turnover rate ⁶		0.00%		0.00%
Net asset value per unit	\$	10.46	\$	10.09
Closing market price (HBFE)*	\$	10.45	\$	10.09

Explanatory Notes:

1. Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the reporting period. It is not intended that the Fund's net assets per unit table act as a continuity of opening and closing net assets per unit.
2. Net assets, at the commencement of operations on October 20, 2022 was \$10.00.
3. Distributions, if any, are paid in cash or reinvested in additional units of the Fund. 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 outside of registered plans.
4. Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) of the stated period and is expressed as an annualized percentage of the daily average net asset value during the period.
5. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
6. The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate, the greater the trading costs payable by the Fund and the greater the chance of an investor receiving taxable capital gains. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Harvest Brand Leaders Enhanced Income ETF

Past Performance

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

YEAR-BY-YEAR RETURNS

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

Harvest Brand Leaders Enhanced Income ETF

SUMMARY OF INVESTMENT PORTFOLIO

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

Information displayed is for the Underlying ETF in which the Fund primarily invests.

As at June 30, 2023

Top Holdings	% of Net Asset Value
Caterpillar Inc.	5.7
Apple Inc.	5.5
Accenture PLC, Class A	5.4
Alphabet Inc., Class A	5.3
Microsoft Corporation	5.2
Texas Instruments Incorporated	5.2
JPMorgan Chase & Co.	5.1
Visa Inc., Class A	4.9
United Parcel Service, Inc., Class B	4.9
McDonald's Corporation	4.9
Johnson & Johnson	4.9
Shell PLC ADR	4.8
Citigroup Inc.	4.7
PepsiCo, Inc.	4.7
UnitedHealth Group Incorporated	4.7
The Procter & Gamble Company	4.7
Verizon Communications Inc.	4.6
Morgan Stanley	4.6
The Walt Disney Company	4.3
NIKE, Inc., Class B	4.2
Cash and other assets and liabilities	1.1
Foreign currency forward contracts	1.1
Options	(0.5)
Total	100.0

This summary of investment portfolio may change due to the ongoing portfolio transactions of the Fund. Quarterly updates of the Fund's investment portfolio are available from Harvest Portfolios Group Inc. at www.harvestetfs.com.

Harvest Brand Leaders Enhanced Income ETF

SECTOR ALLOCATION

Information presented is for the Underlying ETF in which the Fund primarily invests.

Sector	% of Net Asset Value
Information Technology	21.4
Financials	19.3
Communication Services	14.2
Industrials	10.5
Health Care	9.6
Consumer Staples	9.4
Consumer Discretionary	9.1
Energy	4.8
Cash and other assets and liabilities	1.1
Foreign currency forward contracts	1.1
Options	(0.5)
Total	100.0

GEOGRAPHIC ALLOCATION

Information presented is for the Underlying ETF in which the Fund primarily invests.

Country of Risk	% of Net Asset Value
United States	93.5
Netherlands	4.8
Cash and other assets and liabilities	1.1
Foreign currency forward contracts	1.1
Options	(0.5)
Total	100.0

Harvest Brand Leaders Enhanced Income ETF

Disclaimers

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 a 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.



Head Office

610 Chartwell Rd, Suite 204 Oakville, Ontario L6J 4A5

Phone Number: 416.649.4541

Toll Free: 866.998.8298

Fax Number: 416.649.4542

Email: info@harvestportfolios.com