

Harvest Banks & Buildings Income Fund

June 30, 2024

Interim Financial Statements (Unaudited)



Harvest Banks & Buildings Income Fund

STATEMENT OF FINANCIAL POSITION (Unaudited)			
As at		June 30, 2024	December 31, 2023
Assets			
Current assets			
Investments	\$	3,897,367	\$ 4,561,213
Cash		80,970	125,929
Dividends and interest receivable		9,619	14,912
		3,987,956	4,702,054
Liabilities			
Current liabilities			
Distributions payable		8,500	10,754
		8,500	10,754
Net assets attributable to holders of redeemable units	\$	3,979,456	\$ 4,691,300
Net assets attributable to holders of redeemable units			
Series R	\$	1,494,486	\$ 1,741,495
Series A		1,415,167	1,593,871
Series F		498,579	670,280
Series D		571,224	685,654
Net assets attributable to holders of redeemable units per unit			
Series R	\$	10.22	\$ 10.66
Series A		8.57	9.05
Series F		11.34	11.75
Series D		10.94	11.35

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

Harvest Banks & Buildings Income Fund

STATEMENT OF COMPREHENSIVE INCOME (LOSS) (Unaudited)				
For the period (Note 1) ended June 30,	2024		2023	
Income				
Net gain (loss) on investments				
Dividends	\$	99,796	\$	95,627
Interest for distribution purposes		13,212		22,739
Net realized gain (loss) on sale of investments		322,085		121,298
Net realized gain (loss) on foreign exchange		1,286		(119)
Net change in unrealized appreciation (depreciation) of investments		(288,579)		(143,000)
Net change in unrealized appreciation (depreciation) of foreign exchange		(47)		(87)
Net gain (loss) on investments		147,753		96,458
Total income (net)	\$	147,753	\$	96,458
Expenses (Note 5)				
Management fees	\$	25,827	\$	31,180
Service fees		14,295		17,347
Withholding taxes		2,485		2,987
Unitholder reporting costs		29,037		31,522
Audit fees		19,000		16,560
Transfer agency fees		31,087		30,400
Custodian fees and bank charges		15,829		17,203
Independent Review Committee fees		44		52
Filing fees		11,120		11,095
Legal fees		4,765		5,214
Transaction costs (Note 8)		1,376		848
Total expenses	\$	154,865	\$	164,408
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(7,112)	\$	(67,950)
Increase (decrease) in net assets attributable to holders of redeemable units				
Series R	\$	(1,713)	\$	(29,069)
Series A		(8,856)		(22,040)
Series F		2,238		(3,830)
Series D		1,219		(13,011)
Increase (decrease) in net assets attributable to holders of redeemable units per unit (Note 4)				
Series R	\$	(0.01)	\$	(0.15)
Series A		(0.05)		(0.12)
Series F		0.04		(0.07)
Series D		0.02		(0.23)

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Harvest Banks & Buildings Income Fund

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Unaudited) ALL SERIES			
For the period (Note 1) ended June 30,	2024		2023
Net assets attributable to holders of redeemable units beginning of period	\$	4,691,300	\$ 5,392,726
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(7,112)	\$ (67,950)
Redeemable unit transactions			
Proceeds from issue of redeemable units		13,819	15,716
Reinvestments of distributions to holders of redeemable units		121,243	140,305
Redemption of redeemable units		(661,102)	(312,622)
Net redeemable unit transactions	\$	(526,040)	\$ (156,601)
Distributions to holders of redeemable units			
Capital gains		(106,885)	-
Return of capital		(71,807)	(208,102)
Total distributions to holders of redeemable units	\$	(178,692)	\$ (208,102)
Net assets attributable to holders of redeemable units end of period	\$	3,979,456	\$ 4,960,073

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Unaudited) SERIES R			
For the period (Note 1) ended June 30,	2024		2023
Net assets attributable to holders of redeemable units beginning of period	\$	1,741,495	\$ 2,169,675
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(1,713)	\$ (29,069)
Redeemable unit transactions			
Proceeds from issue of redeemable units		-	260
Reinvestments of distributions to holders of redeemable units		44,321	57,821
Redemption of redeemable units		(224,808)	(97,070)
Net redeemable unit transactions	\$	(180,487)	\$ (38,989)
Distributions to holders of redeemable units			
Capital gains		(43,439)	-
Return of capital		(21,370)	(81,902)
Total distributions to holders of redeemable units	\$	(64,809)	\$ (81,902)
Net assets attributable to holders of redeemable units end of period	\$	1,494,486	\$ 2,019,715

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Harvest Banks & Buildings Income Fund

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Unaudited) SERIES A			
For the period (Note 1) ended June 30,	2024		2023
Net assets attributable to holders of redeemable units beginning of period	\$	1,593,871	\$ 1,900,211
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(8,856)	\$ (22,040)
Redeemable unit transactions			
Proceeds from issue of redeemable units		600	600
Reinvestments of distributions to holders of redeemable units		45,841	48,830
Redemption of redeemable units		(145,905)	(109,113)
Transfer of redeemable units		-	(115,546)
Net redeemable unit transactions	\$	(99,464)	\$ (175,229)
Distributions to holders of redeemable units			
Capital gains		(52,151)	-
Return of capital		(18,233)	(78,162)
Total distributions to holders of redeemable units	\$	(70,384)	\$ (78,162)
Net assets attributable to holders of redeemable units end of period	\$	1,415,167	\$ 1,624,780

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Unaudited) SERIES F			
For the period (Note 1) ended June 30,	2024		2023
Net assets attributable to holders of redeemable units beginning of period	\$	670,280	\$ 736,253
Increase (decrease) in net assets attributable to holders of redeemable units	\$	2,238	\$ (3,830)
Redeemable unit transactions			
Proceeds from issue of redeemable units		-	10,000
Reinvestments of distributions to holders of redeemable units		10,870	12,782
Redemption of redeemable units		(164,220)	(70,886)
Net redeemable unit transactions	\$	(153,350)	\$ (48,104)
Distributions to holders of redeemable units			
Return of capital		(20,589)	(24,581)
Total distributions to holders of redeemable units	\$	(20,589)	\$ (24,581)
Net assets attributable to holders of redeemable units end of period	\$	498,579	\$ 659,738

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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Unaudited) SERIES D				
For the period (Note 1) ended June 30,	2024		2023	
Net assets attributable to holders of redeemable units beginning of period	\$	685,654	\$	586,587
Increase (decrease) in net assets attributable to holders of redeemable units	\$	1,219	\$	(13,011)
Redeemable unit transactions				
Proceeds from issue of redeemable units		13,219		4,856
Reinvestments of distributions to holders of redeemable units		20,211		20,872
Redemption of redeemable units		(126,169)		(35,553)
Transfer of redeemable units		-		115,546
Net redeemable unit transactions	\$	(92,739)	\$	105,721
Distributions to holders of redeemable units				
Capital gains		(11,295)		-
Return of capital		(11,615)		(23,457)
Total distributions to holders of redeemable units	\$	(22,910)	\$	(23,457)
Net assets attributable to holders of redeemable units end of period	\$	571,224	\$	655,840

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Harvest Banks & Buildings Income Fund

STATEMENT OF CASH FLOWS (Unaudited)				
For the period (Note 1) ended June 30,	2024		2023	
Operating activities				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(7,112)	\$	(67,950)
Add (deduct) items not affecting cash:				
Foreign exchange (gain) loss on cash		(56)		(92)
Realized (gain) loss on sale of investments		(322,085)		(121,298)
Change in unrealized (appreciation) depreciation of investments		288,579		143,000
Change in unrealized (appreciation) depreciation of foreign exchange		47		87
Proceeds from sale of investments		710,773		442,201
Purchases of investments		-		3,091
Other adjustments to cost of investments		(13,421)		-
Net change in non-cash assets and liabilities		5,246		3,060
Net cash flow provided by (used in) operating activities	\$	661,971	\$	402,099
Financing activities				
Proceeds from redeemable units issued		13,819		17,564
Redemption of redeemable units		(661,102)		(311,699)
Distributions paid to holders of redeemable units		(59,703)		(68,788)
Net cash flow provided by (used in) financing activities	\$	(706,986)	\$	(362,923)
Net increase (decrease) in cash during the period		(45,015)		39,176
Foreign exchange gain (loss) on cash		56		92
Cash, beginning of the period		125,929		55,668
Cash, end of the period	\$	80,970	\$	94,936
Supplemental disclosure of cash flow information				
Interest received during the period *	\$	13,212	\$	22,739
Dividends received, net of withholding taxes *		102,604		95,787

* included in operating activities

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

Harvest Banks & Buildings Income Fund

SCHEDULE OF INVESTMENTS (Unaudited)		As at June 30, 2024	
Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
EQUITIES			
Financials – 70.8%			
2,125	Royal Bank of Canada	112,015	309,506
4,600	Canadian Imperial Bank of Commerce	258,698	299,230
8,200	Manulife Financial Corporation	180,810	298,726
4,300	Sun Life Financial Inc.	109,152	288,444
4,600	The Bank of Nova Scotia	257,025	287,868
2,475	Bank of Montreal	161,616	284,204
3,750	The Toronto-Dominion Bank	139,164	282,000
1,700	Morgan Stanley	94,945	226,033
4,100	Bank of America Corporation	33,592	223,070
800	JPMorgan Chase & Co.	28,930	221,362
13,700	Timbercreek Financial Corp.	138,398	98,092
		1,514,345	2,818,535
Real Estate – 27.1%			
16,700	Choice Properties Real Estate Investment Trust	243,868	214,428
14,400	InterRent Real Estate Investment Trust	145,192	171,504
9,800	Killam Apartment Real Estate Investment Trust	78,841	166,992
600	Digital Realty Trust, Inc.	88,379	124,807
5,000	SmartCentres Real Estate Investment Trust	125,122	109,950
650	Alexandria Real Estate Equities, Inc.	98,436	104,014
650	Prologis, Inc.	53,100	99,870
5,700	Allied Properties Real Estate Investment Trust	216,347	87,267
		1,049,285	1,078,832
Total investments – 97.9%		2,563,630	3,897,367
Other assets less liabilities – 2.1%			82,089
Net assets attributable to holders of redeemable units – 100.0%			3,979,456

Harvest Banks & Buildings Income Fund

NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

June 30, 2024

1. GENERAL INFORMATION

Harvest Banks & Buildings Income Fund (the "Fund") is an open-end mutual fund trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated September 25, 2009 and as amended and restated, being the inception date. The address of the Fund's registered office is 610 Chartwell Road, Suite 204, Oakville, Ontario, L6J 4A5.

The Fund's investment objectives are to generate monthly cashflow and to maximize total return by investing primarily in a portfolio of banking issuers, other financial issuers and real estate related companies and/or REITs listed on a recognized stock exchange in North America.

The Fund offers Series R, Series A, Series F and Series D units, only through registered dealers. Series R units are available to all investors in an initial sales charge option. Series A units are available to all investors in an initial sales charge option and have a higher service fee than Series R. Series F units have no initial sales charge option, no service fees and are usually only available to investors who have fee-based accounts with the dealers. Series D units have no initial sales charge option, no service fees and are available to all investors.

Reporting Period

The Statement of Financial Position is as of June 30, 2024 with comparative information as of December 31, 2023. The Statement of Comprehensive Income (Loss), Statement of Changes in Net assets Attributable to Holders of Redeemable Units and Statement of Cash Flows are for the period from January 1, 2024 to June 30, 2024 with comparative information for the period from January 1, 2023 to June 30, 2023. For 2024 and 2023 the term period represents a six-month period.

2. BASIS OF ACCOUNTING

The interim financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS Accounting Standards") 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 19, 2024.

3. MATERIAL ACCOUNTING INFORMATION

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, which approximates fair value. 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, 2024 and December 31, 2023, there were no differences between the Fund's NAV per security and its net assets per security calculated in accordance with IFRS Accounting Standards 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 are represented by equities.

Investments held that are not traded on 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 Accounting Standards, 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 has issued multiple classes of units which are equally subordinate, but which are subject to different fees (Note 5). As a result, not all units have identical features 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 and bank overdraft, as applicable.

Investment transactions and income recognition

"Interest for distribution purposes" shown on the Statement of Comprehensive Income (Loss) represents the coupon interest received by the Fund accounted for on an accrual basis. "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.

Distributions received from income trusts are recorded as income, capital gains or a return of capital, based on the best information available to the Manager. Due to the nature of these investments, actual allocations could vary from this information. Distributions from investment trusts treated as a return of capital reduce the average cost of the underlying investment trust.

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

Management fees and service 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.

Foreign currency translation

The Fund's subscriptions and redemptions are 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 Statement 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 Statement 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 Statement of Financial Position are translated into Canadian dollars on the statement date.

Redeemable units valuation

The NAV per unit of each series is determined at the close of business each day the Toronto Stock Exchange is open for business. The NAV of each series of the Fund is computed by calculating the value of that series' proportionate share of the Fund's common assets less common liabilities and less those series-specific liabilities. Expenses directly attributable to a series are charged to that series. Other income and expenses are allocated to each series proportionately based on the relative NAV of each series.

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 Statement of Comprehensive Income (Loss) represents the increase (decrease) in net assets attributable to holders of redeemable units, attributed to each series, divided by the weighted average units outstanding for that series, for the financial period.

Critical accounting estimates and judgments

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

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

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding.

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

4. REDEEMABLE UNITS

The Fund is authorized to issue an unlimited number of transferable units and series. Units of the Fund are offered for sale on a continuous basis and may be purchased or redeemed on any valuation date at the NAV per unit of a particular series. The NAV per unit of a series for the purposes of subscriptions or redemptions is computed by dividing the NAV of the Fund attributable to the series (that is, the total fair value of the assets attributable to the series less the liabilities attributable to the series) by the total number of units of the series of the Fund outstanding at such time.

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

	Series R	Series A	Series F	Series D
Total outstanding as at January 1, 2024	163,397	176,147	57,048	60,403
Redeemable units issued	-	67	-	1,170
Redeemable units issued on reinvestment	4,218	5,174	935	1,800
Redeemable units redeemed	(21,429)	(16,343)	(14,010)	(11,160)
Total outstanding as at June 30, 2024	146,186	165,045	43,973	52,213
Weighted average number of units outstanding as at June 30, 2024	155,883	168,989	49,871	54,865

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	Series R	Series A	Series F	Series D
Total outstanding as at January 1, 2023	197,092	198,774	61,381	50,496
Redeemable units issued	25	62	865	440
Redeemable units issued on reinvestment	5,275	5,161	1,065	1,808
Redeemable units redeemed	(8,991)	(11,318)	(5,649)	(2,966)
Redeemable units transferred between Class	-	(11,573)	-	9,476
Total outstanding as at June 30, 2023	193,401	181,106	57,662	59,254
Weighted average number of units outstanding as at June 30, 2023	195,776	187,515	58,535	55,658

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. Monthly distributions to unitholders are declared and paid to unitholders of record on the valuation date prior to the month-end, and automatically reinvested at NAV into additional units of the Fund at the month-end, unless unitholders specifically requested a cash distribution be paid.

5. RELATED PARTY TRANSACTIONS AND OTHER EXPENSES

Management fees and servicing fees

The Manager is responsible for managing the Fund's overall business and operations and provides key management personnel to the Fund. Each series of units pays the Manager an annual management fee, plus applicable taxes, based on a percentage of the average daily NAV of the Fund attributable to that applicable series (the "Management Fee").

Dealers may be paid a servicing fee in connection with Series A units and Series R units for ongoing services they provide to investors, including investment advice, account statements and newsletters. Generally, the servicing fees, plus applicable taxes, are payable monthly in arrears based on the total client assets invested in each series of units of the Fund held by all of a Dealer's clients throughout the month. The Manager can change or cancel servicing fees at any time.

The fees differ among the series of units of the Fund as set out in the chart below:

Fund Series	Annual Management Fee	Dealer Service Fee	Total Fees
R	1.10%	0.40%	1.50%
A	1.10%	1.25%	2.35%
F	1.10%	0.00%	1.10%
D	1.10%	0.00%	1.10%

Effective May 1, 2022 the Fund no longer pays service fees on Series D units. Prior to this change, the Fund paid a servicing fee of 0.25% to dealers based on the total client assets invested in Series D units.

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 period ended	Amount (\$)
June 30, 2024	20,911
June 30, 2023	23,402

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, 2024 or 2023.

Other transactions

Officers, directors and related entities of the Manager invest in units of the Fund from time to time in the normal course of business and on the same basis as arm's length investors. As at June 30, 2024 officers and directors owned 2,272 (December 31, 2023 - 2,272) units of the Fund.

Harvest Banks & Buildings Income Fund

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 percentage of the Fund's net assets attributable to holders of units that were traded on public stock exchanges was as follows:

	% net assets
June 30, 2024	97.9
December 31, 2023	97.2

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 the following amounts:

	Amount (\$)
June 30, 2024	194,868
December 31, 2023	228,061

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 tables below summarize 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, 2024			
Currency	Currency exposure (CAD\$)	Net currency exposure (CAD\$)	As a % of net assets
U.S. Dollar	1,023,628	1,023,628	25.7

As at December 31, 2023			
Currency	Currency exposure (CAD\$)	Net currency exposure (CAD\$)	As a % of net assets
U.S. Dollar	1,171,997	1,171,997	25.0

The Fund's currency exposure is broken down between monetary and non-monetary as follows:

	June 30, 2024	December 31, 2023
Monetary (\$)	24,473	40,902
Non-Monetary (\$)	999,155	1,131,095

If the Canadian dollar had strengthened or weakened by 5% in relation to the U.S. dollar, with all other variables held constant, the Fund's net assets attributable to holders of redeemable units would have decreased or increased, respectively, approximately as follows:

	June 30, 2024	December 31, 2023
Amount of increase (decrease) (\$)	51,181	58,600
Amount of increase (decrease) (%)	1.3	1.3

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, 2024 and December 31, 2023 the Fund did not hold any bonds or money market instruments; therefore, the Fund had no significant exposure to interest rate risk.

Harvest Banks & Buildings Income Fund

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 redemptions as units are redeemable on demand and Unitholders may redeem their units on each valuation date. 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. Redeemable units are redeemable on demand at the holder's option, however, the Manager does not expect that the contractual maturity will be representative of the actual cash flows as the holder of the instruments typically retain these for a longer period.

As at June 30, 2024 and December 31, 2023, all the Fund's financial liabilities had maturities of less than three months.

Credit risk

Credit risk is the risk that the 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, 2024 and December 31, 2023, 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.

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

The tables below summarize the fair value of the Fund's financial instruments using the following classification in the fair value hierarchy:

Securities classification:

Investments at fair value as at June 30, 2024				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Financial Assets				
Equities				
Common Stock	2,818,535	-	-	2,818,535
REIT	1,078,832	-	-	1,078,832
Total Financial Assets	3,897,367	-	-	3,897,367

Investments at fair value as at December 31, 2023				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Financial Assets				
Equities				
Common Stock	3,277,761	-	-	3,277,761
REIT	1,283,452	-	-	1,283,452
Total Financial Assets	4,561,213	-	-	4,561,213

There were no Level 3 securities held by the Fund as at June 30, 2024 and December 31, 2023. There were no transfers between Level 1 and Level 2 for the period ended June 30, 2024 and 2023.

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:

	June 30, 2024	December 31, 2023
	% of net assets	% of net assets
Canada	72.8	73.1
United States	25.1	24.1
Cash and other assets and liabilities	2.1	2.8
Total	100.0	100.0

Harvest Banks & Buildings Income Fund

Market Segment:

	June 30, 2024	December 31, 2023
	% of net assets	% of net assets
Financials	70.8	69.8
Real Estate	27.1	27.4
Cash and other assets and liabilities	2.1	2.8
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. 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 Statement 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 the following capital losses, which can be carried forward indefinitely and applied against future capital gains.

	Amount (\$)
Capital Losses	-

As at the last taxation year, the Fund had the following non-capital losses available to offset against income in future years.

	Amount (\$)	Year of expiry
Non-Capital Losses	-	-

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 Statement 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, 2024 and 2023 amounted to \$nil.

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