



# Harvest Broadcom Enhanced High Income Shares ETF

Interim Management Report of Fund Performance

**June 30, 2026**



# Harvest Broadcom Enhanced High Income Shares 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 income by investing 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 Harvest Broadcom Enhanced High Income Shares ETF (the "Fund"). You can obtain a copy of the interim financial statements upon request, and at no cost, by calling toll-free at 1-866-998-8298; by writing to us at Harvest Portfolios Group Inc., 610 Chartwell Rd, Suite 204, Oakville, Ontario, L6J 4A5; or by visiting our website at [www.harvestetfs.com](http://www.harvestetfs.com); or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

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 objective is to provide unitholders with high monthly cash flows and an opportunity for long-term capital appreciation on a levered basis by investing in the common stock of Broadcom Inc. ("Broadcom").

To achieve its investment objectives, the Fund invests up to 100% of its total assets (including cash borrowings) in the Class A common shares of Broadcom and sells up to 50% call options on the shares held (covered call options).

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, the Fund may use strategies generally prohibited for conventional mutual funds, including investing in other alternative mutual funds; investing more than 10% of its NAV in a single issuer; using leverage through the use of cash borrowings, short sales and/or derivatives; and having an increased ability to invest in commodities. While these strategies will be used in accordance with the Fund's investment objectives and strategies, they may, under certain market conditions, accelerate the rate at which an investment decreases in value.

## 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 six-month period ended June 30, 2026 (the "Period") that affected the overall level of risk of the Fund.

## RESULTS OF OPERATIONS

### Overall Performance

The Fund's return by Class compared to the Solactive US Large & Mid Cap Technology Index NTR<sup>y</sup> for the Period is as follows:

|                                                                | Return % |
|----------------------------------------------------------------|----------|
| Class A                                                        | 14.57    |
| Solactive US Large & Mid Cap Technology Index NTR <sup>y</sup> | 16.02    |

The primary reason for the divergence is that the benchmark is a broad index that includes a portfolio of securities compared to the Fund that is invested in a single equity security. Additionally, the Fund employs a modest amount of leverage of approximately 25% that can compound performance positively or negatively depending on market movements.

### Factors Affecting Fund Results

The Fund invests in shares of Broadcom and writes call options on up to 50% of these shares to generate cash flows, utilizing a modest amount of leverage, targeting about 25%, to enhance returns and the distribution yield.

Over the Period, Broadcom's stock was volatile but ended the first half significantly higher. The stock advanced through much of the Period on strong custom artificial intelligence ("AI") semiconductor revenue growth and a broadened multi-year chip supply agreement with a major technology partner, but declined sharply in early June after quarterly AI semiconductor revenue guidance fell short of elevated investor expectations, despite reporting continued triple-digit growth in that segment. The stock partially recovered into month-end as the multi-year partnership news reinforced longer-term demand visibility.

## RECENT DEVELOPMENTS

### Potential Impact for the Fund

The market continues to navigate several risks entering the second half of 2026. Valuation and expectation risk remains elevated across AI-linked semiconductor names, where even strong reported growth has at times been insufficient to meet investor expectations. Policy risks, including export-control and trade uncertainty, along with a transition in U.S. monetary policy leadership under new Federal Reserve Chair Kevin Warsh, remain in focus. Signs of an economic acceleration in the U.S. are likely to remain generally supportive for equities over the intermediate term. Overall, with volatility persisting, it may prove to be a stop-and-start environment for stocks, and one where a disciplined exposure approach, and income generation strategies may prove fruitful.



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## Mid-Year Market Review

The first half of 2026 was characterized by heightened macroeconomic volatility, driven by a temporary but severe geopolitical disruption in the energy sector and shifting equity market concentration. Global equity markets demonstrated notable resilience amidst rising inflation and unemployment pressures in the first quarter. This transitioned into a broader market expansion during the second quarter as commodity pressures eased, and market leadership diversified.

These macroeconomic and geopolitical conditions were reflected across major indices, with the small-cap Russell 2000 leading equity performance with significant gains, making it a record first-half performance. The Nasdaq Composite advanced on the back of semiconductor hardware manufacturing, which offset weakness in mega-cap software names. Broad-market participation was further emphasized by equal-weighted indexes outperforming their market-cap-weighted counterparts, which faced headwinds from corrections among their largest technology constituents.

The Canadian equity market posted positive returns, supported heavily by an acceleration in financial stocks during the second quarter. In commodity markets, following the outbreak of the conflict in the Middle East, crude oil ultimately ended the first half of the year higher despite a sharp retreat in June. After making new highs to start the year, gold ultimately trended lower through most of the first half as investors contemplated the potential for interest rate hikes by central banks in response to new inflationary pressures related to higher energy prices.

The primary catalyst for early-half volatility stemmed from escalating tensions in the Middle East, which led to open conflict between the U.S. and Iran. The impacts of the war resulted in a sudden supply-side shock to global energy markets. Crude oil prices spiked into triple digits, amplifying global inflation expectations and compressing equity market multiples. Following a ceasefire agreement, supply concerns systematically receded. By June, the stabilization of critical shipping corridors led to a substantial decline in crude from its quarterly peak, mitigating inflationary pressures for the broader economy but acting as a direct headwind for energy sector equities late in the Period.

Simultaneously, a distinct structural divergence emerged within the technology and digital infrastructure sectors regarding artificial intelligence expenditures. Early in the year, investor concern intensified over the intermediate return on investment for large-scale enterprise AI infrastructure, leading to capital outflows and notable stock corrections for prominent hyperscalers. Conversely, demand for physical infrastructure and semiconductor components accelerated. Aggregate capital expenditure forecasts for primary hyperscalers were upwardly revised significantly for the full year. This aggressive capital deployment drove substantial outperformance in hardware suppliers, highlighted by historic gains for the semiconductor sector in the second quarter, which provided the primary tailwind for market-cap-weighted equity benchmarks.

The end of the half marked a broader transition in equity market leadership away from high concentration in mega-cap technology names. While cap-weighted benchmarks underwent modest consolidations, underlying market breadth expanded significantly. Capital rotated into cyclical, value, and economically sensitive sectors, led by Industrials alongside notable defensive advances in Financials and Health Care. Retail and institutional flows increasingly favored equal-weighted strategies and small-cap benchmarks, which more accurately captured the stabilizing trends of the broader underlying economy.

Fixed income markets faced consistent pressure through the first half of the year as long-term treasury yields repeatedly tested elevated thresholds due to persistent headline inflation. The monetary policy framework underwent a fundamental transition under the leadership of Federal Reserve Chair Kevin Warsh. While the committee maintained its benchmark interest rate, it discontinued the practice of providing formal forward guidance.

## LOAN PAYABLE

The Fund has entered into prime broker agreements with 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 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 Period:

| For the period ended               | June 30, 2026 |
|------------------------------------|---------------|
| Minimum amount borrowed            | \$25,280,838  |
| Maximum amount borrowed            | \$39,661,162  |
| Interest expense                   | \$646,154     |
| Range of variable rate of interest | 4.17% - 4.19% |

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 as at June 30, 2026 are as follows:

| As at                                                          | June 30, 2026 |
|----------------------------------------------------------------|---------------|
| Amount of borrowing                                            | \$37,252,629  |
| Amount borrowed as % of net assets                             | 26.1%         |
| Market value of investments held as collateral at Prime Broker | \$109,077,466 |

## RECOMMENDATIONS OR REPORTS BY THE INDEPENDENT REVIEW COMMITTEE

The IRC tabled no special reports and made no extraordinary material recommendations to management of the Fund during the Period. A summary of related party transactions can be found in the Annual IRC Report to Securityholders, available on our website at [www.harvestetfs.com](http://www.harvestetfs.com); or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).



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## 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 Period 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                               | 2026             | 2025             |
|--------------------------------------------------------------|------------------|------------------|
| <b>Net assets - beginning of the period<sup>2</sup></b>      | <b>\$ 19.14</b>  | <b>\$ 12.00</b>  |
| <b>Increase (decrease) from operations</b>                   |                  |                  |
| Total revenue                                                | 0.08             | 0.15             |
| Total expenses                                               | (0.16)           | (0.29)           |
| Realized gains (losses) for the period                       | 1.67             | 2.49             |
| Unrealized gains (losses) for the period                     | 1.20             | 7.68             |
| <b>Total increase (decrease) from operations<sup>1</sup></b> | <b>\$ 2.79</b>   | <b>\$ 10.03</b>  |
| <b>Distributions<sup>3</sup></b>                             |                  |                  |
| From capital gains                                           | (0.54)           | (0.35)           |
| Return of capital                                            | (2.22)           | (2.49)           |
| <b>Total annual distributions<sup>3</sup></b>                | <b>\$ (2.76)</b> | <b>\$ (2.84)</b> |
| <b>Net assets - end of the period<sup>1</sup></b>            | <b>\$ 18.95</b>  | <b>\$ 19.14</b>  |

| RATIOS AND SUPPLEMENTAL DATA                                          | 2026              | 2025             |
|-----------------------------------------------------------------------|-------------------|------------------|
| <b>Total net asset value (\$000's)</b>                                | <b>\$ 142,595</b> | <b>\$ 97,594</b> |
| Number of units outstanding (000's)                                   | 7,525             | 5,100            |
| Management expense ratio <sup>4</sup>                                 | 1.70%             | 1.88%            |
| Management expense ratio excluding the cost of financing <sup>4</sup> | 0.62%             | 0.66%            |
| Management expense ratio before waivers or absorptions <sup>4</sup>   | 1.70%             | 1.90%            |
| Trading expense ratio <sup>5</sup>                                    | 0.06%             | 0.07%            |
| Portfolio turnover rate <sup>6</sup>                                  | 51.35%            | 71.09%           |
| <b>Net asset value per unit</b>                                       | <b>\$ 18.95</b>   | <b>\$ 19.14</b>  |
| <b>Closing Market Price (AVGY)</b>                                    | <b>\$ 18.97</b>   | <b>\$ 19.16</b>  |

### 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 March 3, 2025 was \$12.00.
3. Distributions, if any, are paid in cash. 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.



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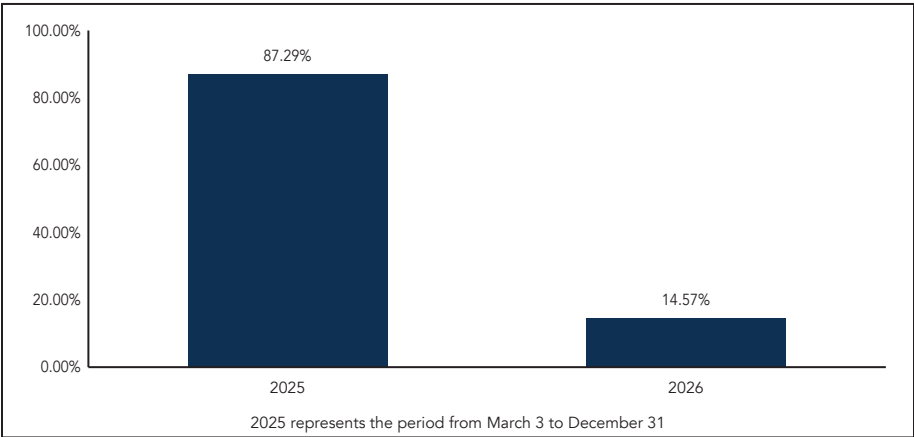
## PAST PERFORMANCE

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 following chart presents the Fund's performance for each of the years shown. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year, except for 2026 which represents the Period.

#### Class A



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## 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.

As at June 30, 2026

| Top Holdings          | % of Net Asset Value |
|-----------------------|----------------------|
| Broadcom Inc.         | 126.0                |
| Written options       | (0.4)                |
| Net other liabilities | (25.6)               |
| <b>Total</b>          | <b>100.0</b>         |

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 at [www.harvestetfs.com](http://www.harvestetfs.com).



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## 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.

- <sup>y</sup> The Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index Price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Manager, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the financial instrument. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Fund constitutes a recommendation by Solactive AG to invest capital in said Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this financial instrument.





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