

**HPYM**

Harvest Premium Yield 7-10 Year Treasury ETF



US Treasury Income, Monthly Cashflow Through Covered Calls

Key Details

| | |
|-------------------------|----------------------------------|
| TSX Ticker: | HPYM HPYM.U |
| Management Style: | Active Covered Calls |
| Eligible: | RRSP RRIF RESP TFSA FHSA |
| Asset Class: | Fixed Income |
| Inception Date: | 2024/01/16 |
| Currency: | CAD Hedged |
| Distribution Frequency: | Monthly |
| Distribution Method: | Cash or DRIP |
| Management Fee: | 0.45% |
| Risk Rating: | Low to Medium |

Portfolio Metrics

| | |
|----------------------------------|-----------|
| Cash Distribution per Unit: | \$0.0800 |
| Average Credit Rating: | AA+ |
| Modified Duration ¹ : | 7.0 |
| Weighted Maturity: | 8.3 Years |
| Treasury Bond ETF Holdings: | 3 |
| Average Market Capitalization: | CA\$39B |

Investment Goal

The Harvest Premium Yield 7-10 Year Treasury ETF will seek to provide attractive and tax efficient monthly cash distributions to unitholders supported by writing call options on up to 100% of its investment in US Treasury ETFs, that primarily hold mid-duration US Treasury bonds with average maturities of 7-10 years (intermediate treasury bonds). The level of covered call option writing may vary based on market volatility and other factors. HPYM aims to provide stability from its exposure to US Treasury bonds, which are guaranteed with the full faith and credit of the US government.

Benefits of Investing in HPYM

- Exposure to high quality medium-range US Treasury Bonds through US-listed ETFs
- Covered call strategy increased yields and lower volatility on underlying holdings
- Experienced active covered call specialists at Harvest ETFs
- Currency hedged with attractive tax efficient income
- Competitive management fee

Key Benefits



Tax Efficient Income

Tax efficient income above bond yields generated from covered calls.



Downside Protection

Higher income can cushion returns during bond price weakness.



Single Ticket Solution

Access multiple ETFs with issuer diversification for optimal option price targeting.



Portfolio Diversification

Low correlation with equities- a portfolio exposed to medium term treasuries & generates high income.

Fixed Income Investment Process

| | | |
|---|------------------------------------|---|
| 1 | Portfolio: US Treasury ETFs | US listed Treasury ETFs selected for liquidity, options and medium term. |
| 2 | Active Covered Calls | Using Harvest's covered call strategy, target a 75% baseline write level and adjusting to market conditions for set distributions |
| 3 | Ongoing Monitoring | Constantly assess premium capture, early cover chances, and rate-driven upside, while stress-testing distribution for sustainability metrics. |
| 4 | Monthly Income | Tax efficient distributions paid monthly. |

Holdings

| Tickers | ETF Names | Weight |
|----------------|--|--------|
| IEF US | iShares 7-10 Year Treasury Bond ETF | 91.2% |
| SCHR US | Schwab Intermediate-Term U.S. Treasury ETF | 4.2% |
| VGIT US | Vanguard Intermediate-Term Treasury ETF | 4.2% |
| | Cash and other assets and liabilities | 0.6% |
| | Foreign currency forwards | 0.0% |
| | Market value of options | (0.2)% |

Disclaimer: Commissions, management fees and expenses all may be associated with investing in HARVEST Exchange Traded Funds managed by Harvest Portfolios Group Inc. (the "Funds" or a "Fund"). Please read the relevant prospectus before investing. The Funds' returns are not guaranteed, their values change frequently, and past performance may not be repeated. Tax investment and all other decisions should be made with guidance from a qualified professional.

Distributions on the units, if any, may consist of income, including foreign source income and dividends from taxable Canadian corporations, and capital gains, less the expenses and may include returns of capital.

Distributions are paid to you in cash unless you request, pursuant to your participation in a distribution reinvestment plan, that they be reinvested into Class A and Class U units of the Fund. If a Fund earns less than the amounts distributed, the difference is a return of capital.

1 Based on weighted average portfolio of underlying US Treasury Bond ETF holdings. Generally, modified duration can be defined as a measure that assesses a bond's interest rate sensitivity. It is a time-weighted measure that estimates the percentage change in a bond's price for a 1% change in yield. Average credit rating source Bloomberg, based on weighted average credit ratings of underlying bonds.