Interim Report | June 30, 2023

HUM

HAMILTON U.S. MID/SMALL CAP FINANCIALS ETF

Hamilton U.S. Mid/Small-Cap Financials ETF
(HUM, HUM.U:TSX)

HAMILTON ETFs

FINANCIAL SECTOR SPECIALISTS

www.hamiltonetfs.com

Contents

MANAGEMENT REPORT OF FUND PERFORMANCE

This interim management report of fund performance for Hamilton U.S. Mid/Small-Cap Financials ETF ("HUM" or the "ETF") contains financial highlights and is included with the unaudited interim financial statements for the investment fund. You may request a copy of the investment fund's audited annual financial statements, annual management report of fund performance, current proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosures, at no cost, by calling (416) 941-9888, by writing to Hamilton Capital Partners Inc. ("Hamilton ETFs" or the "Manager"), at 70 York Street, Suite 1520, Toronto, Ontario, M5J 1S9, by visiting our website at www.hamiltonetfs.com or through SEDAR+ at www.sedarplus.ca.

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 ETF may invest and the risks detailed from time to time in the ETF's prospectus. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors. 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 ETF, 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 Manager 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.

Management Discussion of Fund Performance

Investment Objective and Strategy

The investment objective of HUM is to seek long-term returns from an actively managed equity portfolio of, primarily, United States-based mid and small-cap financial services companies. The ETF is offered for sale on a continuous basis by its prospectus in class E units ("Class E") which trade on the Toronto Stock Exchange ("TSX") in Canadian dollars ("Cdn$ units") and in U.S. dollars ("US$ units") under the symbols HUM and HUM.U, respectively.

HUM seeks to achieve its investment objective through the selection of equity investments in U.S. financial services companies that, in the view of Hamilton ETFs, as the ETF's portfolio adviser (the "Portfolio Adviser"), represent an attractive investment opportunity, relative to other such companies. In determining which companies to include in the ETF's portfolio, the Portfolio Adviser applies specialized analysis and expertise, reviewing a company's individual attributes such as its valuation and growth prospects, as well as the macro environment, including, but not limited to, gross domestic product (GDP) growth, inflation and interest rate trends, fiscal and monetary policies, and regulatory and sector trends.

The ETF's portfolio is anticipated to be comprised primarily of mid-cap (i.e., having a market capitalization of between US$2 billion and US$20 billion), and to a lesser extent, small-cap (i.e., having a market capitalization of between US$300 million and US$2 billion) companies based in the United States. However, the ETF's investments may be selected from

Management Discussion of Fund Performance (continued)

any subsector, country, or capitalization level of the global financial services sector. Specifically, the portfolio may include, but is not limited to, commercial and investment banks, insurance companies, brokerages, asset managers, exchanges, financial technology companies, real estate investment trusts and other investment companies.

At any time, it is anticipated that the ETF's portfolio will be made up of between approximately 40 and 70 issuers. Such investments will be by sub-sector. The Portfolio Adviser may, at its discretion, hedge some or all of the ETF's non-Canadian dollar currency exposure.

Risk

Investments in the units of the ETF can be speculative, involve a degree of risk and are suitable only for persons who are able to assume the risk of losing their entire investment. The Manager, as a summary for existing investors, is providing the list below of the risks to which an investment in the ETF may be subject. **Prospective investors should read the ETF's prospectus and consider the full description of the risks contained therein before purchasing units.**

The risks to which an investment in the ETF is subject are listed below and have not changed from the list of risks found in the ETF's prospectus. A full description of each risk listed below may also be found in the prospectus. The prospectus is available at www.hamiltonetfs.com or from www.sedarplus.ca, or by contacting Hamilton Capital Partners Inc. directly via the contact information on the back page of this document.

- No assurances on achieving investment objective
- Market risk
- Specific issuer risk
- Equity risk
- Short selling risk
- Legal and regulatory risk
- Cyber security risk
- Foreign stock exchange risk
- Foreign markets risk
- Currency price fluctuations
- Currency exposure risk
- Derivatives risk
- Use of options risk
- Corresponding net asset value risk
- Distributions risk
- Designated broker/dealer risk
- Reliance on key personnel
- Potential conflicts of interest
- Counterparty risk
- Cease trading of securities risk
- No ownership interest
- Exchange risk
- Early closing risk
- Redemption price
- Concentration risk
- Reliance on historical data risk
- Liquidity risk
- Tax risk
- Securities lending, repurchase and reverse repurchase transaction risk
- Fund of funds investment risk
- Exchange-traded funds risk
- Absence of an active market
- No guaranteed return
- Volatile market risk
- State/region risk
- Changes in the regulatory and competitive environment in global financial services sector
- Performance of banks and financial institutions
- Trading volume of underlying investments
- Small capitalization risk
- Real estate income trust investment risk
- Significant redemptions
- Loss of limited liability

Management Discussion of Fund Performance (continued)

Results of Operations

For the six-month period ended June 30, 2023, the Canadian dollar ("Cdn$ units") Class E units of the ETF returned -7.42% when including distributions paid to unitholders. The U.S. dollar ("US$ units") Class E units of the ETF returned -5.38%, including distributions paid to unitholders. Class E US$ units are not a separate class of units of the ETF, but rather, represent the U.S. dollar value of the Class E Cdn$ units at the current day's Canada/U.S. exchange rate.

By comparison, the Russell 2000 Index Financials (the "Index"), which is comprised of over 350 companies in the small-cap, market-cap weighted Russell 2000 Index that are classified as members of the financial sector, returned -11.94% during the period in Canadian dollar terms on a total return basis (and -9.94% in U.S. dollars).

U.S. Market/Financial Services Sector Review

Measures of inflation have trended lower in the U.S. in the first half of 2023 ("H1 2023") but remain elevated compared with history and the Federal Reserve's (the "Fed") 2% annual inflation target (which it feels is most appropriate to achieve its mandate of price stability). The Fed continued raising rates in H1 2023, as well as reducing the size of its balance sheet, thereby tightening financial conditions. At its most recent meeting, the Fed chose to pause for the first time in over a year (and after 500 bps in increases), to allow it to better observe the (often delayed) impacts of the rate increases to date on the broader economy.

The consequences of the tighter financial conditions were felt acutely by the banks in March as depositors in several regional banks removed their (largely unguaranteed) deposits at exceptional speed (despite the banks having acceptable levels of regulatory capital). Ultimately, the FDIC stepped in to wind down the operations of three banks. In the moment, there was concern about the health of the regional banking sector and the potential for a credit crunch to dramatically slow the economy. In the three months since, credit availability has tightened slightly and deposit outflows from banks have declined significantly, while banks have crafted strategies to build capital and liquidity to ensure robustness in case any further challenges materialize.

Despite the rate increases and the regional banking uncertainty, the economy has proven unexpectedly robust, with unemployment still extremely low, and forecasts increasing for 2023 US GDP growth. Broader U.S. markets were positive over the period, with larger cap equities outperforming smaller cap and growth-oriented strategies outperforming value. In contrast to broader markets, returns from small and mid-cap financials (especially banks) were challenged by the weakening of investor sentiment during the period. Valuations now reflect a quite depressed sentiment with price-to-earnings ratios at 14-year lows (50% below the average for the Russell 2000 Index Financials) and price-to-book ratios at levels seen during COVID or the global financial crisis (~25% below average).

Portfolio Review

The ETF is primarily comprised of U.S.-based small and mid-cap financial services companies (i.e., those having a market capitalization of between US$0.3 billion-US$20 billion). With an emphasis on selecting companies that represent attractive investment opportunities, the ETF's portfolio favours financial service companies with superior earnings growth profiles (often operating in higher growth U.S. states/regions), favourable regulatory trends, and/or involvement in mergers and acquisitions ("M&A"). At the end of the period, the ETF's portfolio was 100% represented by U.S. financial services companies and 80% by small and mid-cap companies.

The ETF's mix within the sub-sectors varied slightly throughout the period, with approximately 45-55% of net asset value ("NAV") invested in deposit-taking institutions (i.e., banks). During the period, holdings of deposit-taking institutions have gone from underweight to marginally overweight as their valuations have cheapened. Amongst other sub-sectors,

Management Discussion of Fund Performance (continued)

approximately 15-25% is invested in insurance and 25-35% in other financials (including asset and wealth management, exchanges, broker-dealers, business development companies and/or real estate investment trusts, "REITs"). The Manager considers REITs a sub-sector of the financials.

Demonstrating the benefits of the ETF's broad financial sector exposure, the biggest positive contributors to its results over the period were a wealth manager (Focus Financial, exited following a takeover offer), an alternative asset manager (Ares Management) and an insurance broker (Brown and Brown). In contrast, the biggest drags on the ETF's performance over the same period were mid-cap banks: First Republic (exited prior to its ultimate failure), Signature Bank (failed) and Western Alliance Bancorp. In the aftermath of the issues related to unguaranteed deposits, the Manager has shifted the ETF's bank holdings to favour companies with low levels of unguaranteed deposits, lower loan-to-deposit ratios, strong capital, and relatively moderate commercial real estate holdings, in order to make the portfolio more resilient while benefitting from a return to more normal levels of valuation over time.

The Manager may, at its discretion, hedge some or all of the ETF's non-Canadian dollar currency exposure. The ETF's U.S. dollar exposure was partially hedged (~75% of NAV) during the period because the U.S. dollar was unusually strong, for much of the period sitting above the 90th percentile level amongst rates over the past 20 years. For the period, the currency hedge was a modest positive to the ETF's performance.

Outlook

The Manager believes that the U.S. small and mid-cap financials sector is currently trading at very low levels reflecting events of the recent past. These attractive valuations, combined with several positive factors that the market has yet to recognize, bode well for the sector and the ETF's outlook in the opinion of the Manager. Specifically, the U.S. economy is proving very resilient in the face of tighter monetary policy, allowing firms time to adapt to the new environment of higher inflation and higher rates. The quick, decisive FDIC action limited the issues from regional bank deposit runs, and the system is gradually recovering confidence. Reflecting this, the Fed increased its projected range for 2023 GDP growth from -0.2% to 1.3% (in March) to 0.5% to 2% (in June). Levels of profitability across the sector are quite strong, allowing financials firms to build capital and resilience quickly, with management teams keenly focused on reviewing their assets and reducing any vulnerabilities.

The Manager believes its strategy of selecting small and mid-cap financial stocks with strong growth outlooks, balanced sensitivity to interest rates, higher returns on capital, potential consolidation and attractive valuations provides the ETF with an attractive medium-term outlook.

For additional comments, please see the Insights section of the Manager's website: http://hamiltonetfs.com/insights-commentary/.

Recent Developments

There are no recent industry, management or ETF-related developments that are pertinent to the ETF or its future.

Management Discussion of Fund Performance (continued)

Other Operating Items and Changes in Net Assets Attributable to Holders of Redeemable Units

For the six-month period ended June 30, 2023, the ETF generated net investment income from investments and derivatives (which includes changes in the fair value of the ETF's portfolio) of ($3,763,478). This compares to ($10,293,644) for the period ended June 30, 2022. The ETF incurred management, operating and transaction expenses of $277,368 (2022 – $351,597) of which $76,261 (2022 – $45,055) was either paid or absorbed by the Manager on behalf of the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager.

The ETF distributed $196,111 to unitholders during the period (2022 – $403,473).

Presentation

The attached financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Any mention of total net assets, net assets, net asset value or increase (decrease) in net assets in the financial statements and/or management report of fund performance is referring to net assets or increase (decrease) in net assets attributable to holders of redeemable units as reported under IFRS.

Recent Developments

There are no recent industry, management or ETF related developments that are pertinent to the present and future of the ETF.

Related Party Transactions

Certain services have been provided to the ETF by related parties and those relationships are described below.

Manager, Trustee and Portfolio Adviser

The manager, trustee and portfolio adviser of the ETF is Hamilton Capital Partners Inc., 70 York Street, Suite 1520, Toronto, Ontario, M5J 1S9, a corporation incorporated under the laws of the Province of Ontario. The Manager has retained Horizons ETFs Management (Canada) Inc. (the "Administrator"), 55 University Avenue, Suite 800, Toronto, Ontario, M5J 2H7 to provide assistance to the Manager in respect of certain aspects of the day-to-day administration of the ETF.

Any management fees paid to the Manager (described in detail on page 10) are related party transactions, as the Manager is considered to be a related party to the ETF. Fees paid to the Independent Review Committee are also considered to be related party transactions. Both the management fees and fees paid to the Independent Review Committee are disclosed in the statements of comprehensive income in the attached financial statements of the ETF. The management fees payable by the ETF as at June 30, 2023, and December 31, 2022, are disclosed in the statements of financial position.

Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for the current interim reporting period and since it effectively began operations on June 26, 2020. This information is derived from the ETF's audited annual financial statements and the current unaudited interim financial statements. Please see the first page for information on how you may obtain the annual or interim financial statements.

The ETF's Net Assets per Unit

Period [1]	2023	2022	2021	2020
Net assets, beginning of period	$ 24.46	28.35	20.56	16.00
Increase (decrease) from operations:				
Total revenue	0.29	0.53	0.54	0.25
Total expenses	(0.16)	(0.31)	(0.31)	(0.13)
Realized gains (losses) for the period	2.15	1.29	1.22	0.67
Unrealized gains (losses) for the period	(5.38)	(4.96)	6.54	3.86
Total increase (decrease) from operations [2]	(3.10)	(3.45)	7.99	4.65
Distributions:				
From net investment income (excluding dividends)	(0.20)	(0.24)	(0.23)	(0.10)
From dividends	–	–	–	–
From net realized capital gains	–	(0.63)	(0.13)	–
From return of capital	–	–	(0.26)	(0.04)
Total distributions [3]	(0.20)	(0.87)	(0.62)	(0.14)
Net assets, end of period (Cdn$ units) [4]	$ 22.45	24.46	28.35	20.56
Net assets, end of period (US$ units) [1][4]	$ 16.94	18.07	22.41	16.15

1. This information is derived from the ETF's unaudited interim financial statements and audited annual financial statements.
2. Net assets per unit 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 financial period.
3. Income, dividend and/or return of capital distributions, if any, are paid in cash, reinvested in additional units of the ETF, or both. Capital gains distributions, if any, may or may not be paid in cash. Non-cash capital gains distributions are reinvested in additional units of the ETF and subsequently consolidated. They are reported as taxable distributions and increase each unitholder's adjusted cost base for their units. Neither the number of units held by the unitholder, nor the net asset per unit of the ETF change as a result of any non-cash capital gains distributions. Distributions classified as return of capital, if any, decrease each unitholder's adjusted cost base for their units.
4. The Financial Highlights are not intended to act as a continuity of the opening and closing net assets per unit.

Financial Highlights (continued)

Ratios and Supplemental Data

Period [1]		2023	2022	2021	2020
Total net asset value (000's)	$	21,169	42,631	57,187	34,794
Number of units outstanding (000's)		943	1,743	2,017	1,692
Management expense ratio [2]		0.91%	0.91%	0.90%	0.90%
Management expense ratio before waivers and absorptions [3]		1.41%	1.11%	1.08%	1.13%
Trading expense ratio [4]		0.12%	0.02%	0.04%	0.09%
Portfolio turnover rate [5]		16.57%	12.23%	25.74%	37.40%
Net asset value per unit, end of period (Cdn$ units)	$	22.45	24.46	28.35	20.56
Closing market price (Cdn$ units)	$	22.49	24.42	28.35	20.57
Net asset value per unit, end of period (US$ units)	$	16.94	18.07	22.41	16.15
Closing market price (US$ units)	$	16.98	18.08	22.44	16.16

1. This information is provided as at June 30, 2023 and December 31 of the other year/period shown.
2. Management expense ratio is based on total expenses, including sales tax, (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the year/period. Out of its management fees, and waivers and absorptions, as applicable, the Manager pays for such services to the ETF as portfolio manager compensation, service fees and marketing.
3. The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at its discretion.
4. 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 year/period.
5. The ETF's portfolio turnover rate indicates how actively its portfolio investments are traded. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the year. Generally, the higher the portfolio turnover rate in a year, the greater the trading costs payable by the ETF in the year, and the greater the chance of an investor receiving taxable capital gains in the year/period. There is not necessarily a relationship between a high turnover rate and the performance of the ETF.

Financial Highlights (continued)

Management Fees

The Manager provides, or oversees the provision of, administrative services required by the ETF including, but not limited to: negotiating contracts with certain third-party service providers, such as custodians, registrars, transfer agents, auditors and printers; authorizing the payment of operating expenses incurred on behalf of the ETF; arranging for the maintenance of accounting records for the ETF; preparing reports to unitholders and to the applicable securities regulatory authorities; calculating the amount and determining the frequency of distributions by the ETF; preparing financial statements, income tax returns and financial and accounting information as required by the ETF; ensuring that unitholders are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the ETF complies with all other regulatory requirements, including the continuous disclosure obligations of the ETF under applicable securities laws; administering purchases, redemptions and other transactions in units of the ETF; and dealing and communicating with unitholders of the ETF. The Manager provides office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the ETF. The Manager also monitors the investment strategies of the ETF to ensure that the ETF complies with its investment objectives, investment strategies and investment restrictions and practices.

In consideration for the provision of these services, the Manager receives a monthly management fee at the annual rate of 0.75%, plus applicable sales taxes, of the net asset value of the ETF, calculated and accrued daily and payable monthly in arrears.

Any expenses of the ETF that are waived or absorbed by the Manager are paid out of the management fees received by the Manager.

The table below details, in percentage terms, the services received by the ETF from the Manager in consideration of the management fees paid during the period.

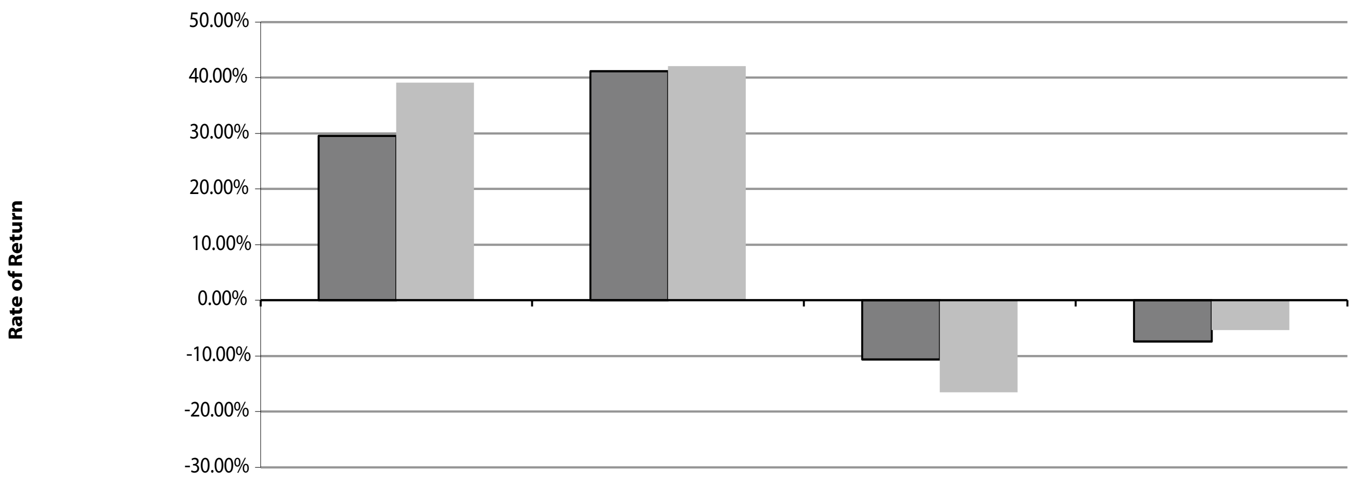
Marketing	Portfolio management fees, general administrative costs and profit	Waived/absorbed expenses of the ETF
–	41%	59%

Past Performance

Commissions, management fees, expenses and applicable sales taxes all may be associated with an investment in the ETF. Please read the prospectus before investing. The indicated rates of return are the historical total returns including changes in unit value and reinvestment of all distributions, and do not take into account sales, redemptions, distributions or optional charges or income taxes payable by any investor that would have reduced returns. An investment in the ETF is not guaranteed. Its value changes frequently and past performance may not be repeated. The ETF's performance numbers assume that all distributions, if any, are reinvested in additional units of the ETF. If you hold this ETF outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units. The amount of the reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the ETF, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-Year Returns

The following chart presents the ETF's performance for the years/period shown, and illustrates how the performance has changed from period to period. In percentage terms, the chart shows how much an investment made on the first day of the financial period would have grown or decreased by the last day of the financial period.



	2020	2021	2022	2023
HUM	29.52%	41.19%	-10.62%	-7.42%
HUM.U	39.07%	42.07%	-16.50%	-5.38%

The ETF effectively began operations on June 26, 2020.

Summary of Investment Portfolio
As at June 30, 2023

Asset Mix		Net Asset Value	% of ETF's Net Asset Value
U.S. Equities	$	19,366,904	91.49%
Global Equities		1,354,463	6.40%
Currency Forward Hedge*		415,867	1.96%
Cash and Cash Equivalents		102,748	0.49%
Other Assets less Liabilities		(70,596)	-0.34%
	$	**21,169,386**	**100.00%**

Sector Mix		Net Asset Value	% of ETF's Net Asset Value
Financials	$	20,296,281	95.88%
Information Technology		425,086	2.01%
Currency Forward Hedge*		415,867	1.96%
Cash and Cash Equivalents		102,748	0.49%
Other Assets less Liabilities		(70,596)	-0.34%
	$	**21,169,386**	**100.00%**

Summary of Investment Portfolio (continued)
As at June 30, 2023

Top 25 Holdings	% of ETF's Net Asset Value
LPL Financial Holdings Inc.	2.98%
Western Alliance Bancorp	2.92%
Columbia Banking Systems Inc.	2.92%
Synovus Financial Corp.	2.92%
Houlihan Lokey Inc.	2.83%
South State Corp.	2.79%
Hancock Whitney Corp.	2.72%
Arch Capital Group Ltd.	2.71%
East West Bancorp Inc.	2.71%
Pinnacle Financial Partners Inc.	2.70%
Cadence Bank	2.66%
Raymond James Financial Inc.	2.61%
Voya Financial Inc.	2.61%
Ameriprise Financial Inc.	2.52%
Brown & Brown Inc.	2.45%
First Horizon Corp.	2.44%
Hanover Insurance Group Inc. (The)	2.38%
Hartford Financial Services Group Inc. (The)	2.34%
First American Financial Corp.	2.34%
Home Bancshares Inc.	2.27%
Ally Financial Inc.	2.20%
Camden Property Trust	2.19%
Arthur J. Gallagher & Co.	2.16%
W.R. Berkley Corp.	2.15%
MGIC Investment Corp.	2.15%

The summary of investment portfolio may change due to the ongoing portfolio transactions of the ETF. The most recent financial statements are available at no cost by calling (416) 941-9888, by writing to us at 70 York Street, Suite 1520, Toronto, Ontario, M5J 1S9, by visiting our website at www.hamiltonetfs.com or through SEDAR+ at www.sedarplus.ca.

MANAGER'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of Hamilton U.S. Mid/Small-Cap Financials ETF (the "ETF") are the responsibility of the manager and trustee to the ETF, Hamilton Capital Partners Inc. (the "Manager"). They have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board using information available and include certain amounts that are based on the Manager's best estimates and judgements.

The Manager has developed and maintains a system of internal controls to provide reasonable assurance that all assets are safeguarded and to produce relevant, reliable and timely financial information, including the accompanying financial statements.

These financial statements have been approved by the Board of Directors of the Manager.

Robert Wessel
Director
Hamilton Capital Partners Inc.

Jennifer L. Mersereau

Jennifer Mersereau
Director
Hamilton Capital Partners Inc.

NOTICE TO UNITHOLDERS

The Auditor of the ETF has not reviewed these Financial Statements.

Hamilton Capital Partners Inc., the Manager of the ETF, appoints an independent auditor to audit the ETF's annual financial statements.

The ETF's independent auditor has not performed a review of these interim financial statements in accordance with Canadian generally accepted auditing standards.

Statements of Financial Position (unaudited)

As at June 30, 2023, and December 31, 2022

		2023		2022
Assets				
Cash and cash equivalents	$	102,748	$	37,393
Investments		20,721,367		43,478,049
Amounts receivable relating to accrued income		39,278		47,765
Derivative assets (note 3)		415,867		102,597
Total assets		**21,279,260**		**43,665,804**
Liabilities				
Accrued management fees		14,456		32,231
Accrued operating expenses		1,108		2,529
Distribution payable		94,310		999,911
Total liabilities		**109,874**		**1,034,671**
Total net assets (note 2)	**$**	**21,169,386**	**$**	**42,631,133**
Number of redeemable units outstanding (note 8)		943,096		1,742,552
Total net assets per unit (Cdn$ units)	$	22.45	$	24.46
Total net assets per unit (US$ units)	$	16.94	$	18.07

(See accompanying notes to financial statements)

Approved on behalf of the Board of Directors of the Manager:

Robert Wessel
Director

Jennifer L. Mersereau

Jennifer Mersereau
Director

Statements of Comprehensive Income (unaudited)

For the Periods Ended June 30, 2023 and 2022

		2023		2022
Income				
Dividend income	$	371,999	$	519,430
Securities lending income (note 7)		6		317
Net realized gain (loss) on sale of investments and derivatives		2,751,239		2,385,823
Net realized gain (loss) on foreign exchange		5,135		(4,241)
Net change in unrealized appreciation (depreciation) of investments and derivatives		(6,891,573)		(13,198,522)
Net change in unrealized appreciation (depreciation) of foreign exchange		(284)		3,549
		(3,763,478)		**(10,293,644)**
Expenses (note 9)				
Management fees		128,829		222,498
Audit fees		20,950		8,517
Independent Review Committee fees		2,369		2,437
Custodial and fund valuation fees		27,114		29,664
Securityholder reporting costs		14,303		8,272
Administration fees		21,407		13,624
Transaction costs		18,266		6,309
Withholding taxes		44,130		60,197
Other expenses		–		79
		277,368		**351,597**
Amounts that were payable by the investment fund that were paid or absorbed by the Manager		(76,261)		(45,055)
		201,107		**306,542**
Increase (decrease) in net assets for the period	**$**	**(3,964,585)**	**$**	**(10,600,186)**
Increase (decrease) in net assets per unit	$	(3.10)	$	(5.23)

(See accompanying notes to financial statements)

Statements of Changes in Financial Position (unaudited)

For the Periods Ended June 30, 2023 and 2022

		2023		2022
Total net assets at the beginning of the period	$	42,631,133	$	57,187,207
Increase (decrease) in net assets		(3,964,585)		(10,600,186)
Redeemable unit transactions				
Proceeds from the issuance of securities of the investment fund		1,247,060		1,402,479
Aggregate amounts paid on redemption of securities of the investment fund		(18,561,474)		(5,323,643)
Securities issued on reinvestment of distributions		13,363		2,925
Distributions:				
From net investment income		(196,111)		(403,473)
Total net assets at the end of the period	**$**	**21,169,386**	**$**	**42,265,309**

(See accompanying notes to financial statements)

Statements of Cash Flows (unaudited)

For the Periods Ended June 30, 2023 and 2022

		2023		2022
Cash flows from operating activities:				
Increase (decrease) in net assets for the period	$	(3,964,585)	$	(10,600,186)
Adjustments for:				
Net realized (gain) loss on sale of investments and derivatives		(2,751,239)		(2,385,823)
Net realized gain (loss) on currency forward contracts		285,079		–
Net change in unrealized (appreciation) depreciation of investments and derivatives		6,891,573		13,198,522
Net change in unrealized (appreciation) depreciation of foreign exchange		–		(3,073)
Purchase of investments		(5,185,363)		(4,723,796)
Proceeds from the sale of investments		19,916,810		5,475,010
Amounts receivable relating to accrued income		8,487		(893)
Accrued expenses		(19,196)		(8,555)
Net cash from (used in) operating activities		**15,181,566**		**951,206**
Cash flows from financing activities:				
Amount received from the issuance of units		1,247,060		1,402,479
Amount paid on redemptions of units		(15,274,922)		(1,882,581)
Distributions paid to unitholders		(1,088,349)		(403,037)
Net cash from (used in) financing activities		**(15,116,211)**		**(883,139)**
Net increase (decrease) in cash and cash equivalents during the period		65,355		68,067
Effect of exchange rate fluctuations on cash and cash equivalents		–		3,073
Cash and cash equivalents at beginning of period		37,393		163,154
Cash and cash equivalents at end of period	**$**	**102,748**	**$**	**234,294**
Dividends received, net of withholding taxes	$	336,356	$	458,340

(See accompanying notes to financial statements)

Schedule of Investments (unaudited)

As at June 30, 2023

Security	Shares/ Contracts	Average Cost	Fair Value
U.S. EQUITIES (91.49%)			
Financials (89.48%)			
Ally Financial Inc.	13,028	$403,769	$466,161
Ameriprise Financial Inc.	1,214	261,869	534,195
Ameris Bancorp	6,516	225,684	295,303
Apollo Global Management Inc.	4,221	161,483	429,504
Ares Management Corp., Class 'A'	3,362	208,897	429,124
Arthur J. Gallagher & Co.	1,571	232,362	456,965
Bank OZK	4,000	216,257	212,808
Blue Owl Capital Inc.	20,790	308,180	320,859
Brown & Brown Inc.	5,678	402,209	517,810
Cadence Bank	21,622	646,339	562,563
Camden Property Trust	3,210	440,943	462,964
Cboe Global Markets Inc.	2,338	309,879	427,454
Columbia Banking Systems Inc.	23,005	628,256	618,051
East West Bancorp Inc.	8,204	601,227	573,735
Enterprise Financial Services Corp.	7,064	281,241	365,899
Evercore Inc., Class 'A'	1,457	211,442	238,549
First American Financial Corp.	6,553	435,777	494,996
First Horizon Corp.	34,550	683,714	515,829
Hamilton Lane Inc., Class 'A'	1,000	103,082	105,953
Hancock Whitney Corp.	11,309	547,786	574,994
Hanover Insurance Group Inc. (The)	3,364	526,721	503,713
Hartford Financial Services Group Inc. (The)	5,197	360,217	495,838
Home Bancshares Inc.	15,901	342,388	480,279
Houlihan Lokey Inc.	4,598	384,907	598,826
Live Oak Bancshares Inc.	6,400	216,716	223,067
LPL Financial Holdings Inc.	2,190	265,924	630,808
MGIC Investment Corp.	21,720	293,035	454,335
Nasdaq Inc.	3,146	173,156	207,758
Pacific Premier Bancorp Inc.	11,052	493,335	302,779
Pinnacle Financial Partners Inc.	7,609	523,860	571,033
Prosperity Bancshares Inc.	4,263	337,117	318,966
Raymond James Financial Inc.	4,027	263,737	553,589
Regions Financial Corp.	18,400	479,764	434,370
Ryan Specialty Group Holdings Inc., Class 'A'	3,600	202,658	214,085
Seacoast Banking Corp. of Florida	11,020	313,778	322,632
South State Corp.	6,778	525,146	590,828
Synovus Financial Corp.	15,416	639,883	617,776
Triumph Financial Inc.	3,005	249,770	241,719

Schedule of Investments (unaudited) (continued)
As at June 30, 2023

Security	Shares/ Contracts	Average Cost	Fair Value
Voya Financial Inc.	5,820	400,404	552,887
W.R. Berkley Corp.	5,774	528,818	455,581
Webster Financial Corp.	4,200	208,456	210,039
Western Alliance Bancorp	12,796	840,014	618,221
WSFS Financial Corp.	7,716	343,864	385,565
Zions Bancorporation NA	9,932	511,608	353,408
		16,735,672	18,941,818
Information Technology (2.01%)			
FleetCor Technologies Inc.	1,278	362,818	425,086
TOTAL U.S. EQUITIES		**17,098,490**	**19,366,904**
GLOBAL EQUITIES (6.40%)			
Bermuda (4.81%)			
Arch Capital Group Ltd.	5,792	250,686	574,321
Essent Group Ltd.	7,152	365,329	443,412
		616,015	1,017,733
Puerto Rico (1.59%)			
Popular Inc.	4,200	327,579	336,730
TOTAL GLOBAL EQUITIES		**943,594**	**1,354,463**
DERIVATIVES (1.96%)			
Currency Forwards (1.96%)			
Currency forward contract to buy C$15,908,841 for US$11,700,000 maturing July 31, 2023		–	415,867
TOTAL DERIVATIVES		**–**	**415,867**
Transaction Costs		(18,107)	
TOTAL INVESTMENT PORTFOLIO (99.85%)		**$18,023,977**	**$21,137,234**
Cash and cash equivalents (0.49%)			102,748
Other assets less liabilities (-0.34%)			(70,596)
TOTAL NET ASSETS (100.00%)			**$21,169,386**

(See accompanying notes to financial statements)

Notes to Financial Statements (unaudited)

For the Periods Ended June 30, 2023 and 2022

1. REPORTING ENTITY

Hamilton U.S. Mid/Small-Cap Financials ETF ("HUM" or the "ETF") is an investment trust established under the laws of the Province of Ontario by Declaration of Trust on May 11, 2020. The ETF effectively began operations on June 26, 2020. The address of the ETF's registered office is: c/o Hamilton Capital Partners Inc., 70 York Street, Suite 1520, Toronto, Ontario, M5J 1S9.

The ETF is offered for sale on a continuous basis by its prospectus in class E units ("Class E") which trade on the Toronto Stock Exchange ("TSX") in Canadian dollars ("Cdn$ units") and in U.S. dollars ("US$ units") under the symbols HUM and HUM.U, respectively. US$ units are not a separate class of units of the ETF, but rather, represent the U.S. dollar value of the Cdn$ Class E units at the current day's Canada/U.S. exchange rate. An investor may buy or sell units of the ETF on the TSX only through a registered broker or dealer in the province or territory where the investor resides. Investors are able to trade units of the ETF in the same way as other securities traded on the TSX, including by using market orders and limit orders and may incur customary brokerage commissions when buying or selling units.

The investment objective of HUM is to seek long-term returns from an actively managed equity portfolio of, primarily, United States-based mid and small-cap financial services companies.

Hamilton Capital Partners Inc. ("Hamilton ETFs" or the "Manager") is the manager, trustee and portfolio adviser of the ETF. The Manager is responsible for implementing the ETF's investment strategies.

2. BASIS OF PREPARATION

(i) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Any mention of total net assets, net assets, net asset value or increase (decrease) in net assets is referring to net assets or increase (decrease) in net assets attributable to holders of redeemable units as reported under IFRS.

These financial statements were authorized for issue on August 8, 2023, by the Board of Directors of the Manager.

(ii) Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments at fair value though profit or loss, which are measured at fair value.

(iii) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the ETF's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2023 and 2022

(a) Financial instruments

(i) Recognition, initial measurement and classification

The ETF is subject to IFRS 9, Financial Instruments ("IFRS 9") for the classification and measurement requirements for financial instruments, including impairment on financial assets and hedge accounting.

This standard requires assets to be classified based on the ETF's business model for managing the financial assets and contractual cash flow characteristics of the financial assets. The standard includes three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income, and fair value through profit and loss ("FVTPL"). IFRS 9 requires classification of debt instruments, if any, based solely on payments of principal and interest and business model tests.

The ETF's financial assets and financial liabilities are managed and its performance is evaluated on a fair value basis. The contractual cash flows of the ETF's debt securities, if any, consist solely of principal and interest, however, these securities are neither held in held-to-collect, or held-to-collect-and-sell business models in IFRS 9.

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, at fair value (see below), with transaction costs recognized in the statements of comprehensive income. Other financial assets and financial liabilities are recognized on the date on which they are originated at fair value.

The ETF classifies financial assets and financial liabilities into the following categories:

- Financial assets mandatorily classified at fair value through profit or loss: debt securities, equity investments and derivative financial instruments
- Financial assets at amortized cost: all other financial assets
- Financial liabilities classified at fair value through profit or loss: derivative financial instruments and securities sold short, if any
- Financial liabilities at amortized cost: all other financial liabilities

(ii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the ETF has access at that date. The fair value of a liability reflects its non-performance risk.

Investments are valued at fair value as of the close of business on each day upon which a session of the TSX is held ("Valuation Date") and based on external pricing sources to the extent possible. Investments held that are traded in an active market through recognized public stock exchanges, over-the-counter markets, or through recognized investment dealers, are valued at their closing sale price. However, such prices may be adjusted if a more accurate value can be obtained from recent trading activity or by incorporating other relevant information that may not have been reflected in pricing obtained from external sources. Short-term investments, including notes and money market instruments, are valued at amortized cost which approximates fair value.

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2023 and 2022

Investments held that are not traded in an active market, including some derivative financial instruments, are valued using observable market inputs where possible, on such basis and in such manner as established by the Manager. Derivative financial instruments are recorded in the statements of financial position according to the gain or loss that would be realized if the contracts were closed out on the Valuation Date. Margin deposits, if any, are included in the schedule of investments as margin deposits. See also, the summary of fair value measurements in note 6.

Fair value policies used for financial reporting purposes are the same as those used to measure the net asset value ("NAV") for transactions with unitholders.

The fair value of other financial assets and liabilities approximates their carrying values due to the short-term nature of these instruments.

(iii) Offsetting

Financial assets and liabilities are offset and the net amount presented 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 to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

(iv) Specific instruments

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term, interest bearing notes with a term to maturity of less than three months from the date of purchase.

Forward foreign exchange contracts

Forward foreign exchange contracts, if any, are valued at the current market value thereof on the Valuation Date. The value of these forward contracts is the gain or loss that would be realized if, on the Valuation Date, the positions were to be closed out and recorded as derivative assets and/or liabilities in the statements of financial position and as a net change in unrealized appreciation (depreciation) of investments and derivatives in the statements of comprehensive income. When the forward contracts are closed out or mature, realized gains or losses on forward contracts are recognized and are included in the statements of comprehensive income in net realized gain (loss) on sale of investments and derivatives. The Canadian dollar value of forward foreign exchange contracts is determined using forward currency exchange rates supplied by an independent service provider.

Redeemable units

The redeemable units are measured at the present value of the redemption amounts and are considered a residual amount of the net assets attributable to holders of redeemable units. They are classified as financial liabilities as a result of the ETF's requirement to distribute, at the option of the unitholder, net income and capital gains in cash.

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2023 and 2022

(b) Investment income

Investment transactions are accounted for as of the trade date. Realized gains and losses from investment transactions are calculated on a weighted average cost basis. The difference between fair value and average cost, as recorded in the financial statements, is included in the statements of comprehensive income as part of the net change in unrealized appreciation (depreciation) of investments and derivatives. Interest income for distribution purposes from investments in bonds and short-term investments, if any, represents the coupon interest received by the ETF accounted for on an accrual basis. Dividend income is recognized on the ex-dividend date. Distribution income from investments in other funds or ETFs is recognized when earned.

Income from derivatives is shown in the statements of comprehensive income as net realized gain (loss) on sale of investments and derivatives; net change in unrealized appreciation (depreciation) of investments and derivatives; and, interest income for distribution purposes, in accordance with its nature.

Income from securities lending, if any, is included in "Securities lending income" on the statements of comprehensive income and is recognized when earned. Any securities on loan continue to be displayed in the schedule of investments and the market value of the securities loaned and collateral held is determined daily (see note 7).

If the ETF incurs 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.

(c) Foreign currency

Transactions in foreign currencies are translated into the ETF's reporting currency using the exchange rate prevailing on the trade date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the period-end exchange rate. Foreign exchange gains and losses are presented as "Net realized gain (loss) on foreign exchange", except for those arising from financial instruments at fair value through profit or loss, which are recognized as a component within "Net realized gain (loss) on sale of investments and derivatives" and "Net change in unrealized appreciation (depreciation) of investments and derivatives" in the statements of comprehensive income.

(d) Cost basis

The cost of portfolio investments is determined on an average cost basis.

(e) Increase (decrease) in net assets attributable to holders of redeemable units per unit

The increase (decrease) in net assets per unit in the statements of comprehensive income represents the change in net assets attributable to holders of redeemable units from operations divided by the weighted average number of units of the ETF outstanding during the reporting period. For management fees please refer to note 9.

(f) Unitholder transactions

The value at which units are issued or redeemed is determined by dividing the net asset value of the class by the total number of units outstanding of that class on the Valuation Date. Amounts received on the issuance of units and amounts paid on the redemption of units are included in the statements of changes in financial position.

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2023 and 2022

(g) Amounts receivable (payable) relating to portfolio assets sold (purchased)

In accordance with the ETF's policy of trade date accounting for sale and purchase transactions, sales/purchase transactions awaiting settlement, if any, represent amounts receivable/payable for securities sold/purchased, but not yet settled as at the reporting date.

(h) Net assets attributable to holders of redeemable units per unit

Net assets attributable to holders of redeemable units per unit is calculated by dividing the ETF's net assets attributable to holders of redeemable units by the number of units of the ETF outstanding on the Valuation Date.

(i) Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and any applicable transfer taxes and duties. Transaction costs are expensed and are included in "Transaction costs" in the statements of comprehensive income.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the Manager has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The ETF may hold financial instruments that are not quoted in active markets, including derivatives. The determination of the fair value of these instruments is the area with the most significant accounting judgements and estimates that the ETF has made in preparing the financial statements. See note 6 for more information on the fair value measurement of the ETF's financial instruments.

5. FINANCIAL INSTRUMENTS RISK

In the normal course of business, the ETF's investment activities expose it to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks for the ETF's performance by employing professional, experienced portfolio advisors, by daily monitoring of the ETF's positions and market events, and periodically may use derivatives to hedge certain risk exposures. To assist in managing risks, the Manager maintains a governance structure that oversees the ETF's investment activities and monitors compliance with the ETF's stated investment strategies, internal guidelines and securities regulations.

Please refer to the most recent prospectus for a complete discussion of the risks attributed to an investment in the units of the ETF. Significant financial instrument risks that are relevant to the ETF, and analysis thereof, are presented below.

Notes to Financial Statements (unaudited) (continued)
For the Periods Ended June 30, 2023 and 2022

(a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the ETF's income or the fair value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Currency risk

Currency risk is the risk that financial instruments which are denominated in currencies other than the ETF's reporting currency, the Canadian dollar, will fluctuate due to changes in exchange rates and adversely impact the ETF's income, cash flows or fair values of its investment holdings. The ETF may reduce its foreign currency exposure through the use of derivative arrangements such as foreign exchange forward contracts or futures contracts. The following table indicates the foreign currencies to which the ETF had significant exposure as at June 30, 2023, and December 31, 2022, in Canadian dollar terms and the potential impact on the ETF's net assets (including the underlying principal amount of future or forward currency contracts, if any), as a result of a 1% change in these currencies relative to the Canadian dollar:

June 30, 2023	Financial Instruments	Currency Forward and/ or Futures Contracts	Total	Impact on Net Asset Value
Currency	($000's)	($000's)	($000's)	($000's)
U.S. Dollar	20,811	(15,493)	5,318	53
Total	20,811	(15,493)	5,318	53
As % of Net Asset Value	98.3%	-73.2%	25.1%	0.3%

December 31, 2022	Financial Instruments	Currency Forward and/ or Futures Contracts	Total	Impact on Net Asset Value
Currency	($000's)	($000's)	($000's)	($000's)
U.S. Dollar	43,553	(22,332)	21,221	212
Total	43,553	(22,332)	21,221	212
As % of Net Asset Value	102.2%	-52.4%	49.8%	0.5%

(ii) Interest rate risk

The ETF may be exposed to the risk that the fair value of future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. In general, the value of interest-bearing financial instruments will rise if interest rates fall, and conversely, will generally fall if interest rates rise. There is minimal sensitivity to interest rate fluctuation on cash and cash equivalents invested at short-term market rates since those securities are usually held to maturity and are short term in nature.

As at June 30, 2023, and December 31, 2022, the ETF did not hold any long-term debt instruments and did not have any material exposure to interest rate risk.

Notes to Financial Statements (unaudited) (continued)
For the Periods Ended June 30, 2023 and 2022

(iii) Other market risk

Other market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. The Manager has implemented internal risk management controls on the ETF which are intended to limit the loss on its trading activities.

The table below shows the estimated impact on the ETF of a 1% increase or decrease in the comparative index, based on historical correlation, with all other factors remaining constant, as at the dates shown. In practice, actual results may differ from this sensitivity analysis and the difference could be material. The historical correlation may not be representative of future correlation.

Comparative Index	June 30, 2023	December 31, 2022
Russell 2000 Index Financials	$198,982	$400,946

(b) Credit risk

Credit risk on financial instruments is the risk of a financial loss occurring as a result of the default of a counterparty on its obligation to the ETF. It arises principally from debt securities held, and also from derivative financial assets, cash and cash equivalents, and other receivables. The ETF's maximum credit risk exposure as at the reporting date is represented by the respective carrying amounts of the financial assets in the statements of financial position. The ETF's credit risk policy is to minimize its exposure to counterparties with perceived higher risk of default by dealing only with counterparties that meet the credit standards set out in the ETF's prospectus and, when necessary, receiving acceptable collateral.

As at June 30, 2023, and December 31, 2022, due to the nature of its portfolio investments, the ETF did not have any material credit risk exposure.

(c) Liquidity risk

Liquidity risk is the risk that the ETF will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The ETF's policy and the Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of units, without incurring unacceptable losses or risking damage to the ETF's reputation. Generally, liabilities of the ETF are due within 90 days. Liquidity risk is managed by investing the majority of the ETF's assets in investments that are traded in an active market and can be readily disposed. The ETF aims to retain sufficient cash and cash equivalent positions to maintain liquidity; therefore, the liquidity risk for the ETF is considered minimal.

Notes to Financial Statements (unaudited) (continued)
For the Periods Ended June 30, 2023 and 2022

6. FAIR VALUE MEASUREMENT

Below is a classification of fair value measurements of the ETF's investments based on a three level fair value hierarchy and a reconciliation of transactions and transfers within that hierarchy. The hierarchy of fair valuation inputs is summarized as follows:

- Level 1: securities that are valued based on quoted prices in active markets.
- Level 2: securities that are valued based on inputs other than quoted prices that are observable, either directly as prices, or indirectly as derived from prices.
- Level 3: securities that are valued with significant unobservable market data.

Changes in valuation methods may result in transfers into or out of an investment's assigned level. The following is a summary of the inputs used as at June 30, 2023, and December 31, 2022, in valuing the ETF's investments and derivatives carried at fair values:

	June 30, 2023			December 31, 2022		
	Level 1 ($)	**Level 2 ($)**	**Level 3 ($)**	**Level 1 ($)**	**Level 2 ($)**	**Level 3 ($)**
Financial Assets						
Equities	20,721,367	–	–	43,478,049	–	–
Currency Forward Contracts	–	415,867	–	–	102,597	–
Total Financial Assets	**20,721,367**	**415,867**	**–**	**43,478,049**	**102,597**	**–**
Total Financial Liabilities	**–**	**–**	**–**	**–**	**–**	**–**
Net Financial Assets and Liabilities	**20,721,367**	**415,867**	**–**	**43,478,049**	**102,597**	**–**

There were no significant transfers made between Levels 1 and 2 as a result of changes in the availability of quoted market prices or observable market inputs during the period and year shown. In addition, there were no investments or transactions classified in Level 3 for the period ended June 30, 2023, and for the year ended December 31, 2022.

7. SECURITIES LENDING

In order to generate additional returns, the ETF is authorized to enter into securities lending agreements with borrowers deemed acceptable in accordance with National Instrument 81-102 – *Investment Funds* ("NI 81-102"). Under a securities lending agreement, the borrower must pay the ETF a negotiated securities lending fee, provide compensation to the ETF equal to any distributions received by the borrower on the securities borrowed, and the ETF must receive an acceptable form of collateral in excess of the value of the securities loaned. Although such collateral is marked to market, the ETF may be exposed to the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities. Revenue, if any, earned on securities lending transactions during the period is disclosed in the ETF's statements of comprehensive income.

As at June 30, 2023 and December 31, 2022, the ETF was not participating in any securities lending transactions.

Notes to Financial Statements (unaudited) (continued)
For the Periods Ended June 30, 2023 and 2022

The table below presents a reconciliation of the securities lending income as presented in the statements of comprehensive income for the periods ended June 30, 2023 and 2022. It shows the gross amount of securities lending revenues generated from the securities lending transactions of the ETF, less any taxes withheld and amounts earned by parties entitled to receive payments out of the gross amount as part of any securities lending agreements.

For the periods ended	June 30, 2023	% of Gross Income	June 30, 2022	% of Gross Income
Gross securities lending income	$9		$487	
Lending Agent's fees:				
Bank of New York Mellon	(3)	33.33%	(170)	34.91%
Net securities lending income paid to the ETF	**$6**	**66.67%**	**$317**	**65.09%**

8. REDEEMABLE UNITS

The ETF is authorized to issue an unlimited number of redeemable, transferable Class E units each of which represents an equal, undivided interest in the net assets of the ETF. Each unit entitles the owner to one vote at meetings of unitholders. Each unit is entitled to participate equally with all other units with respect to all payments made to unitholders, other than management fee distributions, whether by way of income or capital distributions and, on liquidation, to participate equally in the net assets of the ETF remaining after satisfaction of any outstanding liabilities that are attributable to units of the ETF. All units will be fully paid and non-assessable, with no liability for future assessments, when issued and will not be transferable except by operation of law.

The redeemable units issued by the ETF provide an investor with the right to require redemption for cash at a value proportionate to the investor's share in the ETF's net assets at each redemption date and are classified as liabilities as a result of the ETF's requirement to distribute net income and capital gains to unitholders. The ETF's objectives in managing the redeemable units are to meet the ETF's investment objective, and to manage liquidity risk arising from redemptions. The ETF's management of liquidity risk arising from redeemable units is discussed in note 5.

On any Valuation Date, unitholders of the ETF may (i) redeem units of the ETF for cash at a redemption price per unit equal to 95% of the closing price for units of the ETF on the TSX on the effective day of the redemption, where the units being redeemed are not equal to a prescribed number of units ("PNU") or a multiple PNU; or (ii) redeem, less any applicable redemption charge as determined by the Manager in its sole discretion from time to time, a PNU or a multiple PNU of the ETF for cash equal to the net asset value of that number of units.

Units of the ETF are issued or redeemed on a daily basis at the net asset value per security that is determined as at 4:00 p.m. (Eastern Time) each Valuation Date. Cash purchase and redemption orders are subject to a 1:00 p.m. (Eastern Time) and Basket of Securities purchase and redemption orders are subject to a 3:00 p.m. (Eastern Time) cutoff time on the business day on Valuation Date.

The ETF is required to distribute all of its income (including net realized capital gains) that it has earned in the period to such an extent that the ETF will not be liable for ordinary income tax thereon. Income earned by the ETF is distributed to unitholders at least once per year, if necessary, and any such amount distributed by the ETF will be paid as a "reinvested distribution". Reinvested distributions on units of the ETF will be reinvested automatically in additional units of the ETF at a price equal to the net asset value per unit of the ETF on such day and the units of the ETF will be immediately consolidated such that the number of outstanding units of the ETF held by each unitholder on such day following the distribution will equal the number of units of the ETF held by the unitholder prior to the distribution. Reinvested distributions are reported as taxable distributions and used to increase each unitholder's adjusted cost base for the ETF. Distributions paid to holders of redeemable units, if any, are recognized in the statements of changes in financial position.

Notes to Financial Statements (unaudited) (continued)
For the Periods Ended June 30, 2023 and 2022

Please consult the ETF's most recent prospectus for a full description of the subscription and redemption features of the ETF's units.

For the periods ended June 30, 2023 and 2022, the number of units issued by subscription, the number of units redeemed, the total and average number of units outstanding was as follows:

Period	Beginning Units Outstanding	Units Issued	Units Redeemed	Ending Units Outstanding	Average Units Outstanding
2023	1,742,552	50,544	(850,000)	943,096	1,279,748
2022	2,017,290	50,105	(225,000)	1,842,395	2,025,777

9. EXPENSES AND OTHER RELATED PARTY TRANSACTIONS

Management fees

The Manager provides, or oversees the provision of, administrative services required by the ETF including, but not limited to: negotiating contracts with certain third-party service providers, such as portfolio managers, custodians, registrars, transfer agents, auditors and printers; authorizing the payment of operating expenses incurred on behalf of the ETF; arranging for the maintenance of accounting records for the ETF; preparing reports to unitholders and to the applicable securities regulatory authorities; calculating the amount and determining the frequency of distributions by the ETF; preparing financial statements, income tax returns and financial and accounting information as required by the ETF; ensuring that unitholders are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the ETF complies with all other regulatory requirements, including the continuous disclosure obligations of the ETF under applicable securities laws; administering purchases, redemptions and other transactions in units of the ETF; and dealing and communicating with unitholders of the ETF. The Manager provides office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the ETF. The Manager also monitors the investment strategies of the ETF to ensure that the ETF complies with its investment objectives, investment strategies and investment restrictions and practices.

In consideration for the provision of these services, the Manager receives a monthly management fee at the annual rate of 0.75%, plus applicable sales taxes, of the net asset value of the ETF, calculated and accrued daily and payable monthly in arrears.

Any expenses of the ETF that are waived or absorbed by the Manager are paid out of the management fees received by the Manager.

Other expenses

In addition to the management fees, unless otherwise waived or absorbed by the Manager, the ETF pays all of its operating expenses, including but not limited to: audit fees; trustee and custodial expenses; administration costs; valuation, accounting and record keeping costs; legal expenses; permitted prospectus preparation and filing expenses; costs associated with delivering documents to unitholders; listing and annual stock exchange fees; CDS Clearing and Depository Services Inc. fees; bank related fees and interest charges; extraordinary expenses; unitholder reports and servicing costs; registrar and transfer agent fees; costs associated with the Independent Review Committee; income taxes; sales taxes; brokerage expenses and commissions; and withholding taxes.

Notes to Financial Statements (unaudited) (continued)
For the Periods Ended June 30, 2023 and 2022

The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager.

10. BROKER COMMISSIONS, SOFT DOLLARS AND RELATED PARTY TRANSACTIONS

Brokerage commissions paid on securities transactions may include amounts paid to related parties of the Manager for brokerage services provided to the ETF.

Research and system usage related services received in return for commissions generated with specific dealers are generally referred to as soft dollars.

Total brokerage commissions paid to dealers in connection with investment portfolio transactions, soft dollar transactions incurred and amounts paid to related parties of the Manager, if any, for the periods ended June 30, 2023 and 2022, were as follows:

Period Ended	Brokerage Commissions Paid	Soft Dollar Transactions	Amount Paid to Related Parties
June 30, 2023	$18,265	$6,700	$nil
June 30, 2022	$6,309	$2,500	$nil

In addition to the information contained in the table above, the management fees paid to the Manager described in note 9 are related party transactions, as the Manager is considered to be a related party to the ETF. Fees paid to the Independent Review Committee are also considered to be related party transactions. Both fees are disclosed in the statements of comprehensive income. The management fees payable by the ETF as at June 30, 2023, and December 31, 2022, are disclosed in the statements of financial position.

The ETF may invest in other ETFs managed by the Manager or its affiliates, in accordance with the ETF's investment objectives and strategies. Such investments, if any, are disclosed in the Schedule of Investments.

11. INCOME TAX

The ETF has qualified as a mutual fund trust under the *Income Tax Act* (Canada) (the "Tax Act") and accordingly, is not taxed on the portion of taxable income that is paid or allocated to unitholders. As well, tax refunds (based on redemptions and realized and unrealized gains during the year) may be available that would make it possible to retain some net capital gains in the ETF without incurring any income taxes.

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2023 and 2022

12. TAX LOSSES CARRIED FORWARD

Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years. Non-capital losses carried forwards may be applied against future years' taxable income. Non-capital losses that are realized in the current taxation period may be carried forward for 20 years. As at June 30, 2023, and December 31, 2022, the ETF has no net capital or non-capital losses available.

13. OFFSETTING OF FINANCIAL INSTRUMENTS

In the normal course of business, the ETF may enter into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the statements of financial position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. The following table shows financial instruments that may be eligible for offset, if such conditions were to arise, as at June 30, 2023, and December 31, 2022. The "Net" column displays what the net impact would be on the ETF's statements of financial position if all amounts were set-off.

	Amounts Offset ($)			Amounts Not Offset ($)		Net ($)
Financial Assets and Liabilities as at June 30, 2023	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
Derivative assets	415,867	–	415,867	–	–	415,867
Derivative liabilities	–	–	–	–	–	–

	Amounts Offset ($)			Amounts Not Offset ($)		Net ($)
Financial Assets and Liabilities as at December 31, 2022	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
Derivative assets	102,597	–	102,597	–	–	102,597
Derivative liabilities	–	–	–	–	–	–

14. INTERESTS IN SUBSIDIARIES, ASSOCIATES AND UNCONSOLIDATED STRUCTURED ENTITIES

The ETF may invest in units of other ETFs as part of its investment strategies ("Investee ETF(s)"). The nature and purpose of these Investee ETFs generally, is to manage assets on behalf of third party investors in accordance with their investment objectives, and are financed through the issue of units to investors.

In determining whether the ETF has control or significant influence over an Investee ETF, the ETF assesses voting rights, the exposure to variable returns, and its ability to use the voting rights to affect the amount of the returns. In instances where the ETF has control over an Investee ETF, the ETF qualifies as an investment entity under IFRS 10 – Consolidated Financial Statements, and therefore accounts for investments it controls at fair value through profit and loss. The ETF's primary purpose is defined by its investment objectives and uses the investment strategies available to it as defined in the ETF's prospectus to meet those objectives. The ETF also measures and evaluates the performance of any Investee ETFs on a fair value basis.

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2023 and 2022

Investee ETFs over which the ETF has control or significant influence are categorized as subsidiaries and associates, respectively. All other Investee ETFs are categorized as unconsolidated structured entities. Investee ETFs may be managed by the Manager, its affiliates, or by third-party managers.

Investments in Investee ETFs are susceptible to market price risk arising from uncertainty about future values of those Investee ETFs. The maximum exposure to loss from interests in Investee ETFs is equal to the total fair value of the investment in those respective Investee ETFs at any given point in time. The fair value of Investee ETFs, if any, are disclosed in investments in the statements of financial position and listed in the schedule of investments. As at June 30, 2023, and December 31, 2022 the ETF did not have exposure to subsidiaries, associates or unconsolidated structured entities.

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