Interim Report | June 30, 2022

HCAL

HAMILTON ENHANCED CANADIAN BANK ETF

Hamilton Enhanced Canadian Bank ETF

(formerly Hamilton Canadian Bank 1.25x Leverage ETF)

(HCAL:TSX)

HAMILTON ETFs

FINANCIAL SECTOR SPECIALISTS

www.hamiltonetfs.com

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MANAGEMENT REPORT OF FUND PERFORMANCE

This interim management report of fund performance for Hamilton Enhanced Canadian Bank ETF *(formerly Hamilton Canadian Bank 1.25x Leverage ETF)* ("HCAL" 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 55 York Street, Suite 1202, Toronto, Ontario, M5J 1R7, by visiting our website at www.hamiltonetfs.com or through SEDAR at www.sedar.com.

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 HCAL is to replicate, to the extent reasonably possible and before the deduction of fees and expenses, a multiple of the performance of a rules-based, variable-weight Canadian bank index. Specifically, the ETF seeks to replicate a 1.25 times multiple of the Solactive Canadian Bank Mean Reversion Index (or any successor thereto) (the "Index"). 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") under the symbol HCAL.

The ETF will use leverage in order to seek to achieve its investment objective. Leverage will be created through the use of cash borrowings or as otherwise permitted under applicable securities legislation. The maximum aggregate exposure of the ETF to cash borrowing, short selling and specified derivatives will not exceed approximately 125% of its NAV.

HCAL will seek to achieve its investment objective by borrowing cash to invest in and hold a proportionate share of, or a sampling of the constituent securities of, the Solactive Canadian Bank Mean Reversion Index in order to track approximately 1.25x the performance of such Index. As an alternative to, or in conjunction with investing in and holding the constituent securities, HCAL may also invest in other securities, including other investment funds to obtain exposure to the constituent securities of the Index in a manner that is consistent with HCAL's investment objective. HCAL may also hold cash and cash equivalents or other money market instruments in order to meet its obligations.

Management Discussion of Fund Performance (continued)

The Solactive Canadian Bank Mean Reversion Index includes Canadian exchange listed securities in the diversified bank industry. Constituents are subject to minimum market capitalization and liquidity screens and are rebalanced quarterly (or such other frequency as may be determined by Solactive AG, the "Index Provider", from time to time) according to a rules-based re-weighting strategy. The constituent securities are the top six Canadian banks listed on the Toronto Stock Exchange or other recognized exchange in Canada by market capitalization. The Index's rules-based mean-reversion strategy rebalances the portfolio quarterly (or such other frequency as may be determined by the Index Provider from time to time) (each, a "Rebalance Date") based on the percent difference between each bank's stock price and its 200-day average price (or such other measure as may be determined by the Index Provider from time to time).

On any given Rebalance Date: (i) the three banks with the lowest percentage difference between their current trading price and their 200-day average price are "over-weighted" at approximately 26.5% each of the Index; and (ii) the three banks with the highest percentage difference between their current trading price and their 200-day average price are "under-weighted" at approximately 6.5% each of the Index. Such portfolio weightings are maintained until the next Rebalance Date, at which point the rebalancing process is repeated.

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.sedar.com, or by contacting Hamilton Capital Partners Inc. directly via the contact information on the back page of this document.

Management Discussion of Fund Performance (continued)

- Alternative mutual fund risk
- Leverage risk
- Aggressive investment technique risk
- No assurances on achieving investment objective
- Market risk
- Specific issuer risk
- Equity risk
- Short selling risk
- Legal and regulatory risk
- Cyber security risk
- Derivatives risk
- Corresponding net asset value risk
- Risk of suspended subscriptions
- 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
- Performance of banks and financial institutions
- Foreign stock exchange risk
- Foreign markets risk
- Sampling methodology risk
- Risk of error in replicating or tracking the index
- Index investment strategy risk
- Rebalancing and adjustment risk
- Calculation and termination of the index

Results of Operations

For the six-month period ended June 30, 2022, Class E units of the ETF returned -14.13%, when including distributions paid to unitholders. By comparison, the Solactive Canadian Bank Mean Reversion Index ("Underlying Index") returned -10.81% for the same period, also on a total return basis. Generally, the difference in performance between the ETF and the Underlying Index is due to the ETF's use of leverage and the expenses payable by the ETF, including management fees plus applicable sales taxes.

The Solactive Canadian Bank Mean Reversion Index includes Canadian exchange-listed securities in the diversified bank industry. Constituents are subject to minimum market capitalization and liquidity screens and are rebalanced quarterly according to a rules-based re-weighting strategy. The constituent securities are the top six Canadian banks listed on the Toronto Stock Exchange or other recognized exchanges in Canada by market capitalization. Currently, the constituents are the Bank of Montreal, The Bank of Nova Scotia, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada, and The Toronto-Dominion Bank. The re-weighting strategy is based on the historical long-term mean-reversion tendencies of the sector. Additional information about the Solactive Canadian Bank Mean-Reversion Index and its constituent issuers can be found on Solactive AG's website (www.solactive.com).

A perfect correlation of the daily return of the Underlying Index to that of the ETF would be a correlation of 1.00. The ETF's daily correlation to its stated Underlying Index for the six-month period ended June 30, 2022, was 1.00.

Management Discussion of Fund Performance (continued)

For the six-month period ended June 30, 2022, all members of the Underlying Index ended lower, with the smallest drawdowns from The Toronto-Dominion Bank, Bank of Montreal, and Royal Bank of Canada, and the largest drawdowns from The Bank of Nova Scotia, Canadian Imperial Bank of Commerce and National Bank of Canada.

Per the ETF's investment objective to attempt to replicate the performance of the index (before fees and expenses), the Manager does not attempt to predict the impact of market direction, changes in global fiscal and monetary policies, the effect of geopolitical concerns, or other unforeseen crises on the ETF. Such events are only of concern to the ETF in so much as there is some minimal risk that could affect its ability to meet its investment objective. Please refer to the risk factors section in the ETF's prospectus for more detailed information.

For comments on the Canadian banking sector, generally, please see the Insights section of the Manager's website: http://hamiltonetfs.com/insights-commentary/.

Leverage

The ETF is classified as an "alternative mutual fund" as defined in National Instrument 81-102 ("NI 81-102"). As an alternative mutual fund, the ETF is permitted to lever its assets per the restrictions outlined in NI 81-102. The ETF measures leverage in terms of the total underlying notional value of the securities as a ratio of the total assets held by the ETF. Although NI 81-102 allows the ETF to use leverage of up to 300% of its net asset value ("NAV"), the maximum aggregate exposure of the ETF to cash borrowing, short selling, and specified derivatives will not exceed approximately 25% of its NAV. In order to ensure that a unitholder's risk is limited to the capital invested, the ETF's leverage is rebalanced in certain circumstances and when the leverage breaches certain bands. Specifically, the ETF's leverage ratio is rebalanced back to 1.25x of the ETF's NAV within two business days of the ETF's leverage being less than 1.23x or if the leverage is greater than 1.27x.

The table below indicates the minimum and maximum leverage during the six-month period ended June 30, 2022, and for the year ended December 31, 2021, as well as the leverage at the end of the reporting period and as a percentage of the ETF's net assets.

Period Ended	Minimum Leverage	Maximum Leverage	Leverage as the end of the Reporting Period	Approximate Percent of Net Assets
June 30, 2022	1.237 : 1	1.273 : 1	1.255 : 1	125.52%
December 31, 2021	1.226: 1	1.262 : 1	1.249 : 1	124.94%

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

For the six-month period ended June 30, 2022, the ETF generated gross comprehensive income from investments and derivatives (which includes changes in the fair value of the ETF's portfolio) of ($59,652,896). This compares to $27,255,388 for six-month period ended June 30, 2021. The ETF incurred management, operating and transaction expenses of $2,065,676 (2021 – $636,632) of which $338 (2021 – $48,450) 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 $10,837,209 to unitholders during the period (2021 – $3,690,212).

Management Discussion of Fund Performance (continued)

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., 55 York Street, Suite 1202, Toronto, Ontario, M5J 1R7, 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, 2022, and December 31, 2021, 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 October 14, 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)]		2022	2021	2020
Net assets, beginning of period	$	25.88	18.08	16.00
Increase (decrease) from operations:				
Total revenue		0.98	0.28	0.14
Total expenses		(0.14)	(0.25)	(0.02)
Realized gains (losses) for the period		(0.27)	5.00	0.65
Unrealized gains (losses) for the period		(4.83)	3.20	1.67
Total increase (decrease) from operations [(2)]		(4.26)	8.24	2.44
Distributions:				
From net investment income (excluding dividends)		(0.73)	–	–
From dividends		–	(0.08)	(0.09)
From net realized capital gains		–	(3.51)	(0.47)
From return of capital		–	–	(0.01)
Total distributions [(3)]		(0.73)	(3.59)	(0.57)
Net assets, end of period [(4)]	$	21.58	25.88	18.08

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]		2022	2021	2020
Total net asset value (000's)	$	339,330	300,850	47,688
Number of units outstanding (000's)		15,721	11,625	2,638
Management expense ratio excluding the costs of financing and proportion of expenses from underlying investment funds		0.78%	0.80%	0.75%
Management expense ratio excluding the costs of financing		0.87%	0.87%	0.83%
Management expense ratio [2][5]		1.20%	1.12%	1.06%
Management expense ratio before waivers and absorptions [3]		1.84%	1.78%	2.29%
Trading expense ratio [4][5]		0.04%	0.06%	0.31%
Trading expense ratio excluding proportion of costs from underlying investment funds		0.02%	0.04%	0.28%
Portfolio turnover rate [6]		4.13%	6.52%	0.00%
Net asset value per unit, end of period	$	21.58	25.88	18.08
Closing market price	$	21.59	25.91	18.09

1. This information is provided as at June 30, 2022 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 management expense ratio (MER) and trading expense ratio (TER) include an estimated proportion of the MER and TER for any underlying investment funds held in the ETF's portfolio during the year/period.
6. 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/period. Generally, the higher the portfolio turnover rate in a year/period, the greater the trading costs payable by the ETF in the year/period, 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 0.65%, 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.

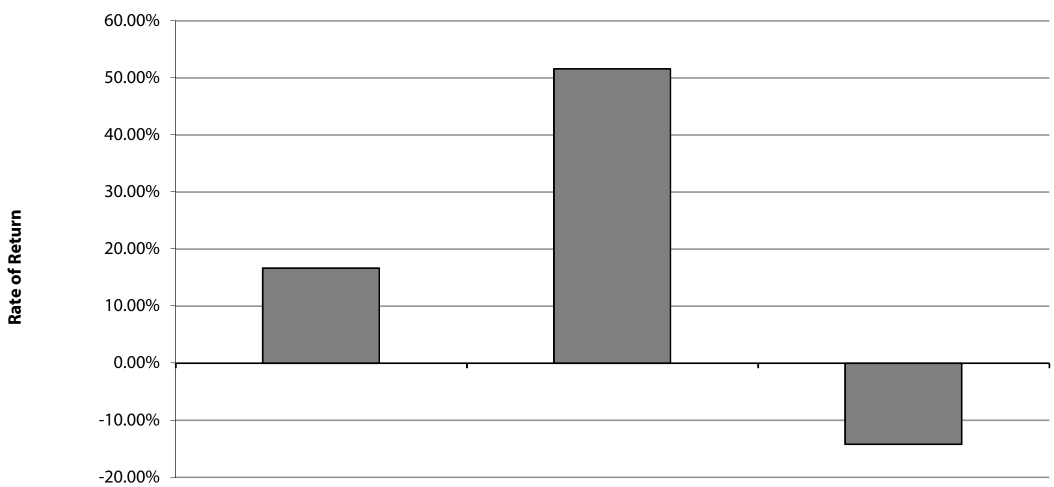
Marketing	Portfolio management fees, general administrative costs and profit	Waived/absorbed expenses of the ETF
–	100%	–

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 periods 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
HCAL	16.65%	51.53%	-14.13%

The ETF effectively began operations on October 14, 2020.

Summary of Investment Portfolio

As at June 30, 2022

Asset Mix		Net Asset Value	% of ETF's Net Asset Value
Canadian Equities	$	425,887,146	125.51%
Cash and Cash Equivalents		271,977	0.08%
Other Assets less Liabilities		(86,829,461)	-25.59%
	$	**339,329,662**	**100.00%**

Sector Mix		Net Asset Value	% of ETF's Net Asset Value
Financials	$	425,887,146	125.51%
Cash and Cash Equivalents		271,977	0.08%
Other Assets less Liabilities		(86,829,461)	-25.59%
	$	**339,329,662**	**100.00%**

Top Holdings	% of ETF's Net Asset Value
Hamilton Canadian Bank Mean Reversion Index ETF	125.51%
Cash and Cash Equivalents	0.08%

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 55 York Street, Suite 1202, Toronto, Ontario, M5J 1R7, by visiting our website at www.hamiltonetfs.com or through SEDAR at www.sedar.com.

MANAGER'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of Hamilton Enhanced Canadian Bank ETF *(formerly Hamilton Canadian Bank 1.25x Leverage 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 Auditors of the ETF have 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 auditors have 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, 2022, and December 31, 2021

		2022		2021
Assets				
Cash and cash equivalents	$	271,977	$	–
Investments		425,887,146		375,875,365
Amounts receivable relating to accrued income		1,859,284		1,330,979
Amounts receivable relating to portfolio assets sold		–		648,558
Amounts receivable relating to securities issued		1,086,519		2,594,186
Amounts receivable from manager		189,254		155,076
Total assets		**429,294,180**		**380,604,164**
Liabilities				
Bank overdraft		–		20,612
Loan facility payable (note 8)		86,395,906		74,963,558
Accrued management fees		215,114		179,368
Accrued operating expenses		–		20,001
Amounts payable for portfolio assets purchased		1,358,441		3,243,330
Distribution payable		1,990,205		1,325,392
Accrued interest expense		4,852		1,741
Total liabilities		**89,964,518**		**79,754,002**
Total net assets (note 2)	**$**	**339,329,662**	**$**	**300,850,162**
Number of redeemable units outstanding (note 8)		15,720,904		11,625,152
Total net assets per unit (note 1)	$	21.58	$	25.88

(See accompanying notes to financial statements)

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

Robert Wessel
Director

Jennifer Mersereau
Director

Statements of Comprehensive Income (unaudited)

For the Periods Ended June 30,

		2022		2021
Income				
Dividend income	$	13,049,223	$	264,194
Capital gains from underlying fund		1,169,891		–
Management fees reimbursements (note 10)		–		330,946
Net realized gain (loss) on sale of investments and derivatives		(3,923,125)		3,550,037
Net change in unrealized appreciation (depreciation) of investments and derivatives		(69,948,885)		23,110,211
		(59,652,896)		**27,255,388**
Expenses (note 9)				
Management fees		1,328,107		388,949
Audit fees		8,643		7,784
Independent Review Committee fees		2,437		1,884
Custodial and fund valuation fees		51,025		31,783
Legal fees		5,000		7,632
Securityholder reporting costs		13,930		19,313
Administration fees		20,382		17,088
Interest expenses		604,125		129,695
Transaction costs		31,978		32,490
Other expenses		49		14
		2,065,676		**636,632**
Amounts that were payable by the investment fund that were paid or absorbed by the Manager		(338)		(48,450)
		2,065,338		**588,182**
Increase (decrease) in net assets for the period	**$**	**(61,718,234)**	**$**	**26,667,206**
Increase (decrease) in net assets per unit	$	(4.26)	$	5.36

(See accompanying notes to financial statements)

Statements of Changes in Financial Position (unaudited)

For the Periods Ended June 30,

	2022	2021
Total net assets at the beginning of the period	$ 300,850,162	$ 47,687,925
Increase (decrease) in net assets	(61,718,234)	26,667,206
Redeemable unit transactions		
Proceeds from the issuance of securities of the investment fund	115,194,146	106,366,752
Aggregate amounts paid on redemption of securities of the investment fund	(4,693,736)	–
Securities issued on reinvestment of distributions	534,533	79,389
Distributions:		
From net investment income	(10,837,209)	(3,690,212)
Total net assets at the end of the period	**$ 339,329,662**	**$ 177,111,060**

(See accompanying notes to financial statements)

Statements of Cash Flows (unaudited)

For the Periods Ended June 30,

	2022	2021
Cash flows from operating activities:		
Increase (decrease) in net assets for the period	$ (61,718,234)	$ 26,667,206
Adjustments for:		
Net realized loss (gain) on sale of investments and derivatives	3,923,125	(3,550,037)
Net change in unrealized depreciation (appreciation) of investments and derivatives	69,948,885	(23,110,211)
Purchase of investments	(144,607,992)	(141,202,524)
Proceeds from the sale of investments	19,487,870	4,094,231
Amounts receivable relating to accrued income	(562,483)	187,385
Accrued expenses	18,856	77,865
Net cash used in operating activities	**(113,509,973)**	**(136,836,085)**
Cash flows from financing activities:		
Amount received from the issuance of units	116,701,813	107,724,493
Amount paid on redemptions of units	(4,693,736)	–
Distributions paid to unitholders	(9,637,863)	(3,860,017)
Loan facility	11,432,348	32,995,653
Net cash from financing activities	**113,802,562**	**136,860,129**
Net increase in cash and cash equivalents during the period	292,589	24,044
Cash and cash equivalents at beginning of period	(20,612)	5,903
Cash and cash equivalents at end of period	**$ 271,977**	**$ 29,947**

Interest received, net of withholding taxes	$ –	$ (234,921)
Dividends received, net of withholding taxes	$ 12,520,918	$ 751,630

(See accompanying notes to financial statements)

Schedule of Investments (unaudited)

As at June 30, 2022

Security	Shares	Average Cost	Fair Value
CANADIAN EQUITIES (125.51%)			
Financials (125.51%)			
Hamilton Canadian Bank Mean Reversion Index ETF	19,429,167	$ 469,969,924	$ 425,887,146
TOTAL CANADIAN EQUITIES		**469,969,924**	**425,887,146**
Transaction Costs		(89,924)	
TOTAL INVESTMENT PORTFOLIO (125.51%)		**$ 469,880,000**	**$ 425,887,146**
Cash and cash equivalents (0.08%)			271,977
Other assets less liabilities (-25.59%)			(86,829,461)
TOTAL NET ASSETS (100.00%)			**$ 339,329,662**

(See accompanying notes to financial statements)

Notes to Financial Statements (unaudited)

For the Periods Ended June 30, 2022 and 2021

1. REPORTING ENTITY

Hamilton Enhanced Canadian Bank ETF *(formerly Hamilton Canadian Bank 1.25x Leverage ETF)* ("HCAL" or the "ETF") is an investment trust established under the laws of the Province of Ontario by Declaration of Trust on October 6, 2020. The ETF effectively began operations on October 14, 2020. The address of the ETF's registered office is: c/o Hamilton Capital Partners Inc., 55 York Street, Suite 1202, Toronto, Ontario, M5J 1R7.

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") under the symbol HCAL. 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 HCAL is to replicate, to the extent reasonably possible and before the deduction of fees and expenses, a multiple of the performance of a rules-based, variable-weight Canadian bank index. Specifically, the ETF seeks to replicate a 1.25 times multiple of the Solactive Canadian Bank Mean Reversion Index (or any successor thereto) (the "Index").

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 12, 2022, 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.

(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.

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 net income and capital gains to unitholders.

(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.

(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.

(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. As at June 30, 2022 and December 31, 2021, the ETF did not have any exposure to foreign currencies.

(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, 2022, and December 31, 2021, the ETF did not hold any long-term debt instruments and did not have any exposure to interest rate risk.

(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 a broad-based market 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, 2022	December 31, 2021
Solactive Canadian Bank Mean Reversion Index TR	$3,362,561	$2,966,712

(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, 2022, and December 31, 2021, 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 shares, 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.

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, 2022, and December 31, 2021, in valuing the ETF's investments and derivatives carried at fair values:

	June 30, 2022			June 30, 2021		
	Level 1 ($)	**Level 2 ($)**	**Level 3 ($)**	**Level 1 ($)**	**Level 2 ($)**	**Level 3 ($)**
Financial Assets						
Exchange Traded Funds	425,887,146	–	–	375,875,365	–	–
Total Financial Assets	**425,887,146**	**–**	**–**	**375,875,365**	**–**	**–**
Total Financial Liabilities	**–**	**–**	**–**	**–**	**–**	**–**
Net Financial Assets and Liabilities	**425,887,146**	**–**	**–**	**375,875,365**	**–**	**–**

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 year and period shown. In addition, there were no investments or transactions classified in Level 3 for the period ended June 30, 2022, and for the year ended December 31, 2021.

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2022 and 2021

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, 2022, and December 31, 2021, the ETF was not participating in any securities lending transactions.

8. LEVERAGE

The ETF is classified as an "alternative mutual fund" as defined in National Instrument 81-102 ("NI 81-102"). As an alternative mutual fund, the ETF is permitted it to lever its assets per the restrictions outlined in NI 81-102. The ETF measures leverage in terms of the total underlying notional value of the securities as a ratio of the total assets held by the ETF. Although NI 81-102 allows the ETF to use leverage of up to 300% its net asset value ("NAV"), the maximum aggregate exposure of the ETF to cash borrowing, short selling and specified derivatives will not exceed approximately 25% of its NAV. In order to ensure that a unitholder's risk is limited to the capital invested, the ETF's leverage is rebalanced in certain circumstances and when the leverage breaches certain bands. Specifically, the ETF's leverage ratio is rebalanced back to 1.25x of the ETF's NAV within two business days of the ETF's leverage being less than 1.23x or if the leverage is greater than 1.27x.

The table below indicate the minimum and maximum leverage during the six-month period ended June 30, 2022 and for the year ended December 31, 2021, as well the leverage at the end of the reporting period and as a percentage of the ETF's net assets.

Period Ended	Minimum Leverage	Maximum Leverage	Leverage as the end of the Reporting Period	Approximate Percent of Net Assets
June 30, 2022	1.237 : 1	1.273 : 1	1.255 : 1	125.52%
December 31, 2021	1.226 : 1	1.262 : 1	1.249 : 1	124.94%

9. 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. Purchase and redemption orders are subject to a 2:00 p.m. (Eastern Time) cutoff time 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.

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, 2022 and 2021, 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
2022	11,625,152	4,295,752	(200,000)	15,720,904	14,483,075
2021	2,637,691	4,978,895	-	7,616,586	4,963,881

10. 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 0.65%, 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.

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.

Management fee reimbursements

Where the ETF holds other exchange traded funds offered for sale by the Manager or its affiliates, the ETF may be reimbursed by such ETFs it has invested in for any management fees charged by those ETFs that would be considered as duplicating the management fees of the ETF.

11. 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.

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2022 and 2021

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, 2022 and 2021, were as follows:

Period Ended	Brokerage Commissions Paid	Soft Dollar Transactions	Amount Paid to Related Parties
June 30, 2022	$31,978	$nil	$nil
June 30, 2021	$32,490	$nil	$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, 2022, and December 31, 2021, 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.

12. 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 period) may be available that would make it possible to retain some net capital gains in the ETF without incurring any income taxes.

13. 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 year may be carried forward for 20 years. As at December 31, 2021, the ETF has no net capital or non-capital losses available.

14. 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. As at June 30, 2022 and December 31, 2021, the ETF did not have any financial instruments eligible for offsetting.

15. 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.

Notes to Financial Statements (unaudited) (continued)
For the Periods Ended June 30, 2022 and 2021

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.

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, 2022, and December 31, 2021, the ETF had material investments in the subsidiaries (Sub), associates (Assc) and unconsolidated structured entities (SE) listed below:

Investee ETF as at June 30, 2022	Place of Business	Type	Ownership %	Carrying Amount
Hamilton Canadian Bank Mean Reversion Index ETF	Canada	Sub	83.85%	$425,887,146

Investee ETF as at December 31, 2021	Place of Business	Type	Ownership %	Carrying Amount
Hamilton Canadian Bank Mean Reversion Index ETF	Canada	Sub	82.33%	$375,875,365

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HCAL
HAMILTON ENHANCED CANADIAN BANK ETF