

Interim Financial Statements

For the period ended June 30, 2025



LONGPOINT
ETFs

SavvyLong Geared Crude Oil ETF ("CLUP")

Interim Financial Statements

Statements of Financial Position (unaudited)
As at June 30, 2025, and December 31, 2024
(In thousands of Canadian dollars, except per share amounts)

	Note	2025	2024
		\$	\$
Assets			
Cash held for collateral		5,541	6,937
Cash other		62	70
Derivative assets	2	718	894
Total assets		6,321	7,901
Liabilities			
Accrued expenses		11	13
Derivatives liabilities	2	51	64
Total liabilities		62	77
Net assets attributable to holders of redeemable shares	2	6,259	7,824
Net assets attributable to holders of redeemable shares per share	2	19.26	24.08

Approved on behalf of the board of directors of LongPoint Asset Management Inc.
Steven J. Hawkins
Chief Executive Officer
Paul Glavine
Director
Donald Kirkwood
Director

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

Statement of Comprehensive Income (unaudited)
For the Period Ended June 30
(In thousands of Canadian dollars, except per share amounts)

	Note	2025
Income		\$
2		
Changes in fair value		
Net realized gain (loss) on sale of investments and derivatives		(1,003)
Net realized gains (losses) on foreign currencies		(41)
Change in net unrealized appreciation/depreciation on investments and derivatives		(145)
Change in unrealized gains/losses on foreign currencies		(290)
Total income		(1,479)
Expenses	7	
Management fees		48
Independent review committee fees		2
Audit fees		5
Other operating expenses		33
Fees paid by the Manager		(20)
Transaction costs		18
Total expenses		86
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(1,565)
Average number of shares	2	325,000
Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations	2	(4.82)

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

Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares (unaudited)

For the Period Ended June 30

(In thousands of Canadian dollars, except per share amounts)

	Note	2025
		\$
Net assets attributable to holders of redeemable shares, beginning of the period		7,824
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		(1,565)
Net increase (decrease) in net assets attributable to holders of redeemable shares		(1,565)
Net assets attributable to holders of redeemable shares, end of the period		6,259
Redeemable shares transaction		
Redeemable shares outstanding, beginning of the period		325,000
Redeemable shares outstanding, end of the period		325,000

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

Statement of Cash Flows (unaudited)

For the Period Ended June 30

(in thousands Canadian dollars)

	Note	2025
		\$
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(1,565)
Adjustments for:		
Net realized gain (loss) on sale of investments and derivatives		1,003
Net realized (gains) losses on foreign currencies		41
Change in net unrealized appreciation/depreciation on investments and derivatives		145
Change in unrealized gains/losses on foreign currencies		290
Accrued expenses		(2)
Transaction costs		18
Net cash from (used in) operating activities		(70)
Net realized gains (losses) on foreign currencies		(41)
Change in unrealized gains/losses on foreign currencies		(290)
Net realized gains (losses) on sale of investments and derivatives		(1,003)
Net increase (decrease) for the period		(70)
Cash and Cash Equivalents, beginning of the period		7,007
Cash, end of the period		5,603
Total Cash is composed of:		
Cash held for collateral		5,541
Cash other		62
Cash, end of the period		5,603

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

Schedule of Investments (unaudited)
as at June 30, 2025
(In Canadian dollars)

	Notional Value	Fair Value \$
Forward Agreements (10.7%)		
Long Forward Agreements (11.5%)		
Crude Oil Forward Agreement	13,491,962	718,292
Payment Date October 01, 2027		
Short Forward Agreements (-0.8%)		
Crude Oil Forward Agreement	(963,711)	(51,306)
Payment Date October 15, 2027		
Total Investments (10.7%)		666,986
Cash Held for Collateral (88.5%)		5,541,168
Cash and Other Net Assets (0.8%)		50,444
Net Assets (100%)		6,258,598

ETF Specific Notes

Investment Objective and Strategies

The SavvyLong Geared Crude Oil ETF ("ETF") seeks daily investment results that endeavour to correspond, before fees and expenses, to up to two times (2X) the daily performance of its underlying benchmark, currently the Solactive Crude Oil Rolling Futures Index, which is calculated in U.S. dollars. The ETF does not hedge its currency exposure to the U.S. dollar.

In order to achieve its investment objective, the ETF may invest all or a portion of its portfolio in U.S. dollar-based interest bearing accounts, U.S. T-Bills and/or other U.S. dollar based financial instruments, including derivatives such as futures contracts, options on futures contracts, forward contracts, swap agreements, options on securities and indices, or any combination of the foregoing.

General Information

ETF Name	TSX Ticker(s)	Reporting Currency	Commencement of Operations
SavvyLong Geared Crude Oil ETF	CLUP	CAD	November 5, 2024

Currency Risk (Note 5)

Currency	June 30, 2025		December 31 2024	
	Net exposure \$	Net assets attributable to holders of redeemable shares %	Net exposure \$	Net assets attributable to holders of redeemable shares %
U.S Dollar	6,269,990	100.2	7,837,110	100.2

Numbers shown could include monetary and non-monetary instruments, and derivatives if appropriate.

Based on the assumption that the Canadian Dollar had increased or decreased by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the ETF would have increased or decreased by approximately \$313,500 (\$391,856 as at December 31, 2024).

Leverage risk (note 5)

The ETF measures leverage in terms of the total underlying notional value of the securities and/or financial derivative positions as a ratio of the total assets held by such ETF. The ETF is considered an "alternative mutual fund", as defined in amendments to National Instrument 81-102 ("NI 81-102") which came into force on January 3, 2019, and, as such, is permitted to lever its assets: that is, the aggregate underlying market exposure of all derivatives held by the ETF calculated on a daily mark-to-market basis can exceed the ETF's cash and cash equivalents, including cash and securities held as margin on deposit to support the ETF's derivatives trading activities.

The ETF will generally not use leverage in excess of 2 times its net asset value. If the ETF uses leverage in excess of 2 times its net asset value, it shall generally reduce its leverage to 2 times its net asset value within 10 business days. The leverage are disclosed as follows:

Period Ended	Minimum Leverage	Maximum Leverage	Leverage at end of reporting period	Approximate Percentage of Net Assets
June 30, 2025	2.00:1	2.00:1	2.00:1	200%
December 31, 2024	2.00:1	2.00:1	2.00:1	200%

Price Risk (Note 5)

The ETF's Benchmark Composition	June 30, 2025		December 31, 2024	
	Impact on Net Assets and Results \$	Percentage of Net Assets %	Impact on Net Assets and Results \$	Percentage of Net Assets %
Solactive Crude Oil Rolling Futures Index	1,251,720	20.0	1,564,880	20.0

The impact is presented in the event that the benchmark's performance would increase or decrease by 10%, based on daily historical correlation during the reporting period, with all variables held constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material. The historical daily correlation may not be representative of future correlation.

Volatility Risk (note 5)

One Year Benchmark Performance	200 % One Year Benchmark Performance		Benchmark Volatility			
	%	%	%	%	%	%
			0.0	25.0	50.0	75.0
	(40.0)	(80.0)	(64.0)	(66.2)	(72.0)	(79.5)
	(20.0)	(40.0)	(36.0)	(39.9)	(50.2)	(63.5)
	0.0	0.0	0.0	(6.1)	(22.1)	(43.0)
	20.0	40.0	44.0	35.3	12.1	(18.0)
	40.0	80.0	96.0	84.1	65.6	11.7

The ETF does not seek to meet its investment objective over any period other than daily, as the ETF is rebalanced daily to ensure an investor's risk is limited to their capital in the ETF. The ETF's returns over periods longer than one day will, under most market conditions, differ in amount and possibly direction from the performance or inverse performance, as applicable, of the index for the same period. This effect becomes more pronounced for the ETF as the volatility of the index and/or the period of time increases. The negative effect of compounding is more pronounced when combined with leverage and daily rebalancing in volatile markets.

When comparing the returns of the ETF and the index over any period **other than daily**, the volatility of the index is a significant factor as a result of the rebalancing process. The above table illustrates the impact of two factors, benchmark volatility and benchmark performance, on a leveraged ETF's period performance. The table shows estimated ETF returns for a number of combinations of benchmark performance and benchmark volatility over a one-year period.

Assumptions used in the table include: a) no ETF expenses and b) borrowing/lending rates (to obtain leverage) of zero percent. If the ETF's expenses were included, the ETF's performance would be lower than shown.

The annualized volatility in Canadian Dollars of each of the index and the ETF for the Periods ended June 30, 2025, and December 31, 2024, were as follows:

	Index	ETF
June 30, 2025	34.8%	70.2%
December 31, 2024	19.8%	38.3%

Credit Risk (Note 5)

The tables below show the notional exposure of the ETF to Derivative Agreements as at June 30, 2025 and December 31, 2024 as measured by the Net Notional Exposure. In addition, designated ratings for any Counterparties at each reporting date are presented, as in the credit risk exposure of derivative assets as shown in the statements of financial position.

As at	Counterparty ⁽¹⁾	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
June 30, 2025	NBC	\$12,528,251	\$718,292	AA	A-	A3	A-
December 31, 2024	NBC	\$15,674,221	\$893,353	AA	A+	Aa2	A+

(1) NBC refers to the National Bank of Canada.

Fair Value of Financial Instruments Table (Note 5)

June 30, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	718,292	-	718,292
Derivative liabilities	-	(51,306)	-	(51,306)
Total derivatives instruments	-	666,986	-	666,986

During the period ended June 30, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

December 31, 2024	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	893,353	-	893,353
Derivative liabilities	-	(63,811)	-	(63,811)
Total derivatives instruments	-	829,542	-	829,542

During the period ended December 31, 2024, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

Offsetting of Financial Instruments Table (Note 5)

Amounts Offset (\$)				Amounts Not Offset (\$)		Net (\$)
Financial Assets and Liabilities as at June 30, 2025	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financials Instruments	Cash Collateral Pledged	
Derivative assets	718,292	-	718,292	(51,306)	-	666,986
Derivative liabilities	(51,306)	-	(51,306)	51,306	-	-

Amounts Offset (\$)				Amounts Not Offset (\$)		Net (\$)
Financial Assets and Liabilities as at December 31, 2024	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financials Instruments	Cash Collateral Pledged	
Derivative assets	893,353	-	893,353	(63,811)	-	829,542
Derivative liabilities	(63,811)	-	(63,811)	63,811	-	-

Transactions with Related Parties (Note 7)

Included in accrued expenses is \$11,392 (as at December 31, 2024 - \$12,710) that is payable to the manager for Management Fees and Operating Expenses.

Tax Losses Carried Forward (Note 9)

The Corporation has no capital losses or non-capital losses carried forward.

SavvyShort Geared Crude Oil ETF ("CLDN")

Interim Financial Statements

Statements of Financial Position (unaudited)
As at June 30, 2025, and December 31, 2024
(In thousands of Canadian dollars, except per share amounts)

	Note	2025	2024
		\$	\$
Assets			
Cash held for collateral		4,661	6,937
Cash other		52	71
Derivative assets	2	644	64
Total assets		5,357	7,072
Liabilities			
Accrued expenses		9	12
Derivative liabilities	2	46	892
Total liabilities		55	904
Net assets attributable to holders of redeemable shares	2	5,302	6,168
Net assets attributable to holders of redeemable shares per share	2	16.31	18.98

Approved on behalf of the board of directors of LongPoint Asset Management Inc.
Steven J. Hawkins
Chief Executive Officer
Paul Glavine
Director
Donald Kirkwood
Director

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

Statement of Comprehensive Income (unaudited)
For the Period Ended June 30
(In thousands of Canadian dollars, except per share amounts)

	Note	2025
Income		\$
2		
Changes in fair value		
Net realized gain (loss) on sale of investments and derivatives		(1,894)
Net realized gains (losses) on foreign currencies		(47)
Change in net unrealized appreciation/depreciation on investments and derivatives		1,442
Change in unrealized gains/losses on foreign currencies		(290)
Total income		(789)
Expenses	7	
Management fees		43
Independent review committee fees		2
Audit fees		5
Other operating expenses		32
Fees paid by the Manager		(21)
Transaction costs		16
Total expenses		77
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(866)
Average number of shares	2	325,000
Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations	2	(2.66)

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

Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares (unaudited)
For the Period Ended June 30
(In thousands of Canadian dollars, except per share amounts)

	Note	2025
		\$
Net assets attributable to holders of redeemable shares, beginning of the period		6,168
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		(866)
Net increase (decrease) in net assets attributable to holders of redeemable shares		(866)
Net assets attributable to holders of redeemable shares, end of the period		5,302
Redeemable share transactions		
Redeemable shares outstanding, beginning of the period		325,000
Redeemable shares outstanding, end of the period		325,000

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

Statement of Cash Flows (unaudited)

For the Period Ended June 30

(In thousands Canadian dollars)

	Note	2025
		\$
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(866)
Adjustments for:		
Net realized gain (loss) on sale of investments and derivatives		1,894
Net realized (gains) losses on foreign currencies		47
Change in net unrealized appreciation/depreciation on investments and derivatives		(1,442)
Change in unrealized gains/losses on foreign currencies		290
Accrued expenses		(3)
Transaction cost		16
Net cash from (used in) operating activities		(64)
Net realized gains (losses) on foreign currencies		(47)
Change in unrealized gains/losses on foreign currencies		(290)
Net realized gains (losses) on sale of investments and derivatives		(1,894)
Net increase (decrease) for the period		(64)
Cash and Cash Equivalents, beginning of the period		7,008
Cash, end of the period		4,713
Total Cash is composed of:		
Cash held for collateral		4,661
Cash other		52
Cash, end of the period		4,713

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

Schedule of Investments (unaudited)
as at June 30, 2025
(In Canadian dollars)

	<u>Notional Value</u>	<u>Fair Value</u> \$
Forward Agreements (11.3 %)		
Short Forward Agreement (12.2%)		
Crude Oil Forward Agreement	(11,427,618)	643,502
Payment Date October 01, 2027		
Long Forward Agreement (-0.9%)		
Crude Oil Forward Agreement	816,258	(45,964)
Payment Date October 15, 2027		
Total Investments (11.3%)		597,538
Cash Held for Collateral (87.9%)		4,661,061
Cash and Other Net Assets (0.8%)		43,412
Net Assets (100%)		5,302,011

ETF Specific Notes

Investment Objective and Strategies

The SavvyShort Geared Crude Oil ETF (the "ETF") seeks daily investment results that endeavour to correspond, before fees and expenses, to up to two times the inverse (-2X) daily performance of its underlying benchmark, currently the Solactive Crude Oil Rolling Futures Index, which is calculated in U.S. dollars. The ETF does not hedge its currency exposure to the U.S. dollar.

In order to achieve its investment objective, the ETF may invest all or a portion of its portfolio in U.S. dollar based interest bearing accounts, U.S. T-Bills and/or other U.S. dollar based financial instruments, including derivatives such as futures contracts, options on futures contracts, forward contracts, swap agreements, options on securities and indices, or any combination of the foregoing. The ETF does not invest in the physical spot commodity market.

General Information

ETF Name	TSX Ticker(s)	Reporting Currency	Commencement of Operations
SavvyShort Geared Crude Oil ETF	CLDN	CAD	November 5, 2024

Currency Risk (Note 5)

Currency	June 30, 2025		December 31, 2024	
	Net exposure \$	Net assets attributable to holders of redeemable shares %	Net exposure \$	Net assets attributable to holders of redeemable shares %
U.S. Dollar	5,311,107	100.2	6,179,620	100.2

Numbers shown could include monetary and non-monetary instruments, and derivatives if appropriate.

Based on the assumption that the Canadian Dollar had increased or decreased by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the ETF would have increased or decreased by approximately \$265,555 (\$308,981 as at December 31, 2024).

Leverage risk (note 5)

The ETF measures leverage in terms of the total underlying notional value of the securities and/or financial derivative positions as a ratio of the total assets held by such ETF. The ETF is considered an "alternative mutual fund", as defined in amendments to National Instrument 81-102 ("NI 81-102") which came into force on January 3, 2019, and, as such, is permitted to lever its assets: that is, the aggregate underlying market exposure of all derivatives held by the ETF calculated on a daily mark-to-market basis can exceed the ETF's cash and cash equivalents, including cash and securities held as margin on deposit to support the ETF's derivatives trading activities.

The ETF will generally not use leverage in excess of 2 times its net asset value. If the ETF uses leverage in excess of 2 times its net asset value, it shall generally reduce its leverage to 2 times its net asset value within 10 business days. The leverage are disclosed as follows:

Period Ended	Minimum Leverage	Maximum Leverage	Leverage at end of reporting period	Approximate Percentage of Net Assets
June 30, 2025	2.00:1	2.00:1	2.00:1	(200) %
December 31, 2024	2.00:1	2.00:1	2.00:1	(200) %

Price Risk (Note 5)

The ETF's Benchmark Composition	June 30, 2025		December 31, 2024	
	Impact on Net Assets and Results \$	Percentage of Net Assets %	Impact on Net Assets and Results \$	Percentage of Net Assets %
Solactive Crude Oil Rolling Futures Index	(1,060,402)	(20.0)	(1,233,612)	(20.0)

The impact is presented in the event that the benchmark's performance would increase or decrease by 10%, based on daily historical correlation during the reporting period, with all variables held constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material. The historical daily correlation may not be representative of future correlation.

Volatility Risk (note 5)

One Year Benchmark Performance	200 % One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
		0.0	25.0	50.0	75.0
(40.0)	80.0	177.8	130.3	31.2	(48.6)
(20.0)	40.0	56.3	29.5	(26.2)	(71.1)
0.0	0.0	0.0	(17.1)	(52.8)	(81.5)
20.0	(40.0)	(30.6)	(42.4)	(67.2)	(87.2)
40.0	(80.0)	(49.0)	(57.7)	(75.9)	(90.6)

The ETF does not seek to meet its investment objective over any period other than daily, as the ETF is rebalanced daily to ensure an investor's risk is limited to their capital in the ETF. The ETF's returns over periods longer than one day will, under most market conditions, differ in amount and possibly direction from the performance or inverse performance, as applicable, of the index for the same period. This effect becomes more pronounced for the ETF as the volatility of the index and/or the period of time increases. The negative effect of compounding is more pronounced when combined with leverage and daily rebalancing in volatile markets.

When comparing the returns of the ETF and the index over any period **other than daily**, the volatility of the index is a significant factor as a result of the rebalancing process. The above table illustrates the impact of two factors, benchmark volatility and benchmark performance, on a leveraged ETF's period performance. The table shows estimated ETF returns for a number of combinations of benchmark performance and benchmark volatility over a one-year period.

Assumptions used in the table include: a) no ETF expenses and b) borrowing/lending rates (to obtain leverage) of zero percent. If the ETF's expenses were included, the ETF's performance would be lower than shown.

The annualized volatility in Canadian Dollars of each of the index and the ETF for the Periods ended June 30, 2025, and December 31, 2024, were as follows:

	Index	ETF
June 30, 2025	34.8%	69.8%
December 31, 2024	19.8%	39.4%

Credit Risk (Note 5)

The tables below show the notional exposure of the ETF to Derivative Agreements as at June 30, 2025, and December 31, 2024, as measured by the Net Notional Exposure. In addition, designated ratings for any Counterparties at each reporting date are presented, as in the credit risk exposure of derivative assets as shown in the statements of financial position.

As at	Counterparty ⁽¹⁾	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
June 30, 2025	NBC	\$(10,611,360)	\$643,502	AA	A-	A3	A-
As at	Counterparty ⁽¹⁾	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2024	NBC	\$(12,359,237)	\$63,689	AA	A-	A3	A-

1) NBC refers to the National Bank of Canada.

Fair Value of Financial Instruments Table (Note 5)

June 30, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	643,502	-	643,502
Derivative liabilities	-	(45,964)	-	(45,964)
Total derivatives instruments	-	597,538	-	597,538

During the period ended June 30, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

December 31, 2024	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	63,689	-	63,689
Derivative liabilities	-	(891,639)	-	(891,639)
Total derivatives instruments	-	(827,950)	-	(827,950)

During the year ended December 31, 2024, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

Offsetting of Financial Instruments Table (Note 5)

Financial Assets and Liabilities as at June 30, 2025	Amounts Offset (\$)		Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Offset	Net Amounts	Financials Instruments	Cash Collateral Pledged
Derivative assets	643,502	-	643,502	(643,502)	-
Derivative liabilities	(45,964)	-	(45,964)	643,502	-
					597,538
Financial Assets and Liabilities as at December 31, 2024	Amounts Offset (\$)		Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Offset	Net Amounts	Financials Instruments	Cash Collateral Pledged
Derivative assets	63,689	-	63,689	(63,689)	-
Derivative liabilities	(891,639)	-	(891,639)	63,689	827,959
					-

Transactions with Related Parties (Note 7)

Included in accrued expenses is \$9,096 (as at December 31, 2024 – \$11,560 that is payable to the manager for Management Fees and Operating Expenses.

Tax Losses Carried Forward (Note 9)

The ETF has no capital losses or non-capital losses carried forward.

SavvyLong Geared Natural Gas ETF ("NGUP")

Interim Financial Statements

Statements of Financial Position (unaudited)
As at June 30, 2025, and December 31, 2024
(In thousands of Canadian dollars, except per share amounts)

	Note	2025	2024
		\$	\$
Assets			
Cash held for collateral		6,475	6,937
Cash other		72	70
Derivative assets	2	46	1,808
Total assets		6,593	8,815
Liabilities			
Accrued expenses		12	12
Derivative liabilities	2	641	129
Total liabilities		653	141
Net assets attributable to holders of redeemable shares	2	5,940	8,674
Net assets attributable to holders of redeemable shares per share	2	18.28	26.69

Approved on behalf of the board of directors of LongPoint Asset Management Inc.
Steven J. Hawkins
Chief Executive Officer
Paul Glavine
Director
Donald Kirkwood
Director

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

Statement of Comprehensive Income (unaudited)
For the Period Ended June 30
(In thousands of Canadian dollars, except per share amounts)

	Note	2025
Income		\$
	2	
Interest income for distribution purposes		1
Changes in fair value		(1)
Net realized gains (losses) on foreign currencies		(2,250)
Change in net unrealized appreciation/depreciation on investments and derivatives		(365)
Change in unrealized gains/losses on foreign currencies		
Total income		(2,615)
Expenses	7	
Management fees		67
Independent review committee fees		3
Audit fees		5
Other operating expenses		35
Fees paid by the Manager		(15)
Transaction costs		24
Total expenses		119
Increase (decrease) in net assets attributable to holders of redeemable shares per series from operations		(2,734)
Average number of shares	2	325,000
Increase (decrease) in net assets attributable to holders of redeemable shares per share, per series from operations	2	(8.41)

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

Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares (unaudited)
For the Period Ended June 30
(In thousands of Canadian dollars, except per share amounts)

	Note	2025
		\$
Net assets attributable to holders of redeemable shares, beginning of the period		8,674
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		(2,734)
Net increase (decrease) in net assets attributable to holders of redeemable shares		(2,734)
Net assets attributable to holders of redeemable shares, end of the period		5,940
Redeemable share transactions		
Redeemable shares outstanding, beginning of the period		325,000
Redeemable shares outstanding, end of the period		325,000

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

Statement of Cash Flows (unaudited)

For the Period Ended June 30

(In thousands Canadian dollars)

	Note	2025
		\$
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(2,734)
Adjustments for:		
Net realized (gains) losses on foreign currencies		1
Change in net unrealized appreciation/depreciation on investments and derivatives		2,250
Change in unrealized gains/losses on foreign currencies		365
Transaction costs		24
Net cash from (used in) operating activities		(94)
Net realized gains (losses) on foreign currencies		(1)
Change in unrealized gains/losses on foreign currencies		(365)
Net increase (decrease) for the period		(94)
Cash, beginning of the period		7,007
Cash, end of the period		6,547
Included in cash flows from operating activities		
Interest received		1
Total Cash is composed of:		
Cash held for collateral		6,475
Cash other		72
Cash, end of the period		6,547

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

Schedule of Investments (unaudited)
as at June 30, 2025
(In Canadian dollars)

	Notional Value	Fair Value \$
Forward Agreements (-10.0%)		
Long Forward Agreement (-10.8%)		
Natural Gas Forward Agreement	12,805,237	(641,075)
Payment Date October 01, 2027		
Short Forward Agreement (0.8%)		
Natural Gas Forward Agreement	(914,660)	45,791
Payment Date October 15, 2027		
Total Investments (-10.0%)		(595,284)
Cash Held for Collateral (109.0%)		6,475,167
Cash and Other Net Assets (1.0%)		59,721
Net Assets (100%)		5,939,604

ETF Specific Notes

Investment Objective and Strategies

The SavvyLong Geared Natural Gas ETF (the "ETF") seeks daily investment results that endeavour to correspond, before fees and expenses, to up to two times (2X) the daily performance of its underlying benchmark, currently the Solactive Natural Gas Rolling Futures Index, which is calculated in U.S. dollars. The ETF does not hedge its currency exposure to the U.S. dollar.

In order to achieve its investment objective, the ETF may invest all or a portion of its portfolio in U.S. dollar based interest bearing accounts, U.S. T-Bills and/or other U.S. dollar based financial instruments, including derivatives such as futures contracts, options on futures contracts, forward contracts, swap agreements, options on securities and indices, or any combination of the foregoing.

General Information

ETF Name	TSX Ticker(s)	Reporting Currency	Commencement of Operations
SavvyLong Geared Natural Gas ETF	NGUP	CAD	November 5, 2024

Currency Risk (Note 5)

Currency	June 30, 2025		December 31 2024	
	Net exposure \$	Net assets attributable to holders of redeemable shares %	Net exposure \$	Net assets attributable to holders of redeemable shares %
U.S Dollar	5,951,846	100.2	8,686,488	100.1

Numbers shown could include monetary and non-monetary instruments, and derivatives if appropriate.

Based on the assumption that the Canadian Dollar had increased or decreased by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have increased or decreased by approximately \$297,592 (\$434,324 as at December 31, 2024).

Leverage risk (note 5)

The ETF measures leverage in terms of the total underlying notional value of the securities and/or financial derivative positions as a ratio of the total assets held by such ETF. The ETF is considered an "alternative mutual fund", as defined in amendments to National Instrument 81-102 ("NI 81-102") which came into force on January 3, 2019, and, as such, is permitted to lever its assets: that is, the aggregate underlying market exposure of all derivatives held by the ETF calculated on a daily mark-to-market basis can exceed the ETF's cash and cash equivalents, including cash and securities held as margin on deposit to support the ETF's derivatives trading activities.

The ETF will generally not use leverage in excess of 2 times its net asset value. If the ETF uses leverage in excess of 2 times its net asset value, it shall generally reduce its leverage to 2 times its net asset value within 10 business days. The leverage are disclosed as follows:

Period Ended	Minimum Leverage	Maximum Leverage	Leverage at end of reporting period	Approximate Percentage of Net Assets
June 30, 2025	2.00:1	2.00:1	2.00:1	200%
December 31, 2024	2.00:1	2.00:1	2.00:1	200%

Price Risk (Note 5)

The ETF's Benchmark Composition	June 30, 2025		December 31, 2024	
	Impact on Net Assets and Results \$	Percentage of Net Assets %	Impact on Net Assets and Results \$	Percentage of Net Assets %
Solactive Natural Gas Rolling Futures Index	1,187,921	20.0	1,734,857	20.0

The impact is presented in the event that the benchmark's performance would increase or decrease by 10%, based on daily historical correlation during the reporting period, with all variables held constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material. The historical daily correlation may not be representative of future correlation.

Volatility Risk (note 5)

One Year Benchmark Performance	200 % One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
		0.0	25.0	50.0	75.0
(40.0)	(80.0)	(64.0)	(66.2)	(72.0)	(79.5)
(20.0)	(40.0)	(36.0)	(39.9)	(50.2)	(63.5)
0.0	0.0	0.0	(6.1)	(22.1)	(43.0)
20.0	40.0	44.0	35.3	12.1	(18.0)
40.0	80.0	96.0	84.1	65.6	11.7

The ETF does not seek to meet its investment objective over any period other than daily, as the ETF is rebalanced daily to ensure an investor's risk is limited to their capital in the ETF. The ETF's returns over periods longer than one day will, under most market conditions, differ in amount and possibly direction from the performance or inverse performance, as applicable, of the index for the same period. This effect becomes more pronounced for the ETF as the volatility of the index and/or the period of time increases. The negative effect of compounding is more pronounced when combined with leverage and daily rebalancing in volatile markets.

When comparing the returns of the ETF and the index over any period **other than daily**, the volatility of the index is a significant factor as a result of the rebalancing process. The above table illustrates the impact of two factors, benchmark volatility and benchmark performance, on a leveraged ETF's period performance. The table shows estimated ETF returns for a number of combinations of benchmark performance and benchmark volatility over a one-year period.

Assumptions used in the table include: a) no ETF expenses and b) borrowing/lending rates (to obtain leverage) of zero percent. If the ETF's expenses were included, the ETF's performance would be lower than shown.

The annualized volatility in Canadian Dollars of each of the index and the ETF for the Periods ended June 30, 2025, and December 31, 2024, were as follows:

	Index	ETF
June 30, 2025	62.3%	125.0%
December 31, 2024	79.9%	154.8%

Credit Risk (Note 5)

The tables below show the notional exposure of the ETF to Derivative Agreements as at June 30, 2025, and December 31, 2024, as measured by the Net Notional Exposure. In addition, designated ratings for any Counterparties at each reporting date are presented, as in the credit risk exposure of derivative assets as shown in the statements of financial position.

As at	Counterparty ⁽¹⁾	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
June 30, 2025	NBC	\$11,890,577	\$45,791	AA	A-	A3	A-
December 31, 2024	NBC	\$17,372,934	\$1,808,044	AA	A+	Aa2	A+

(1) NBC refers to the National Bank of Canada.

Fair Value of Financial Instruments Table (Note 5)

June 30, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	45,791	-	45,791
Derivative liabilities	-	(641,075)	-	(641,075)
Total derivatives instruments	-	(595,284)	-	(595,284)

During the period ended June 30, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

December 31, 2024	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	1,808,044	-	1,808,044
Derivative liabilities	-	(129,146)	-	(129,146)
Total derivatives instruments	-	1,678,898	-	1,678,898

During the period ended December 31, 2024, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

Offsetting of Financial Instruments Table (Note 5)

	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
Financial Assets and Liabilities as at June 30, 2025	Gross Assets (Liabilities)	Offset	Net Amounts	Financials Instruments	Cash Collateral Pledged	
Derivative assets	45,791	-	45,791	641,075	-	-
Derivative liabilities	(641,075)	-	(641,075)	(641,075)	595,284	-
Financial Assets and Liabilities as at December 31, 2024	Gross Assets (Liabilities)	Offset	Net Amounts	Financials Instruments	Cash Collateral Pledged	
Derivative assets	1,808,044	-	1,808,044	(129,146)	-	1,678,898
Derivative liabilities	(129,146)	-	(129,146)	129,146	-	-

Transactions with Related Parties (Note 7)

Included in accrued expenses is \$12,242 (as at December 31, 2024 - \$12,205) that is payable to the manager for Management Fees and Operating Expenses.

Tax Losses Carried Forward (Note 9)

The ETF has no capital losses or non-capital losses carried forward.

SavvyShort Geared Natural Gas ETF ("NGDN")

Interim Financial Statements

Statements of Financial Position (unaudited)
As at June 30, 2025, and December 31, 2024
(In thousands of Canadian dollars, except per share amounts)

	Note	2025	2024
		\$	\$
Assets			
Cash held for collateral		2,070	6,937
Cash other		23	71
Derivative assets	2	666	192
Total assets		2,759	7,200
Liabilities			
Accrued expenses		4	12
Derivative liabilities	2	44	2,693
Total liabilities		48	2,705
Net assets attributable to holders of redeemable shares	2	2,711	4,495
Net assets attributable to holders of redeemable shares per share	2	7.74	13.83

Approved on behalf of the board of directors of LongPoint Asset Management Inc.
Steven J. Hawkins
Chief Executive Officer
Paul Glavine
Director
Donald Kirkwood
Director

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

Statement of Comprehensive Income (unaudited)
For the Period Ended June 30
(In thousands of Canadian dollars, except per share amounts)

	Note	2025
Income	2	\$
Changes in fair value		
Net realized gain (loss) on sale of investments and derivatives		(4,914)
Net realized gains (losses) on foreign currencies		158
Change in net unrealized appreciation/depreciation on investments and derivatives		3,130
Change in unrealized gains/losses on foreign currencies		(285)
Total income		(1,911)
Expenses	7	
Management fees		19
Independent review committee fees		1
Audit fees		5
Other operating expenses		29
Fees paid by the Manager		(27)
Transaction costs		7
Total expenses		34
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(1,945)
Average number of shares	2	342,956
Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations	2	(5.67)

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

Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares (unaudited)

For the Period Ended June 30

(In thousands of Canadian dollars, except per share amounts)

	Note	2025
		\$
Net assets attributable to holders of redeemable shares, beginning of the period		4,495
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		(1,945)
Redeemable shares transactions	6	
Proceeds from redeemable shares issued		161
Total redeemable shares transactions		161
Net increase (decrease) in net assets attributable to holders of redeemable shares		(1,784)
Net assets attributable to holders of redeemable shares, end of the period		2,711
Redeemable share transactions		
Redeemable shares outstanding, beginning of the period		325,000
Redeemable shares issued		25,000
Redeemable shares outstanding, end of the period		350,000

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

Statement of Cash Flows (unaudited)

For the Period Ended June 30

(In thousands Canadian dollars)

	Note	2025
		\$
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(1,945)
Adjustments for:		
Net realized gain (loss) on sale of investments and derivatives		4,194
Net realized (gains) losses on foreign currencies		(158)
Change in net unrealized appreciation/depreciation on investments and derivatives		(3,130)
Change in unrealized gains/losses on foreign currencies		285
Accrued expenses		(8)
Transaction costs		7
Net cash from (used in) operating activities		(755)
Cash flows from (used in) financing activities	2	
Proceeds from issuances of redeemable shares		161
Net cash from (used in) financing activities		161
Net realized gains (losses) on foreign currencies		158
Change in unrealized gains/losses on foreign currencies		(285)
Net realized gains (losses) on sale of investments and derivatives		(4,194)
Net increase (decrease) for the period		(594)
Cash and Cash Equivalents, beginning of the period		7,008
Cash, end of the period		2,093
Total Cash is composed of:		
Cash held for collateral		2,070
Cash other		23
Cash, end of the period		2,093

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

Schedule of Investments (unaudited)
as at June 30, 2025
(In Canadian dollars)

	<u>Notional Value</u>	<u>Fair Value</u> \$
Forward Agreements (22.9%)		
Short Forward Agreement (24.5%)		
Natural Gas Forward Agreement	(5,812,356)	665,748
Payment Date October 01, 2027		
Long Forward Agreement (-1.6%)		
Natural Gas Forward Agreement	387,490	(44,383)
Payment Date October 15, 2027		
Total Investments (22.9%)		621,365
Cash Held for Collateral (76.4%)		2,070,158
Cash and Other Net Assets (0.7%)		19,143
Net Assets (100%)		2,710,666

ETF Specific Notes

Investment Objective and Strategies

The SavvyShort Geared Natural Gas ETF (the "ETF") seeks daily investment results that endeavour to correspond, before fees and expenses, to up to two times the inverse (-2X) daily performance of its underlying benchmark, currently the Solactive Natural Gas Rolling Futures Index, which is calculated in U.S. dollars. The ETF does not hedge its currency exposure to the U.S. dollar.

In order to achieve its investment objective, the ETF may invest all or a portion of its portfolio in U.S. dollar-based interest bearing accounts, U.S. T-Bills and/or other U.S. dollar based financial instruments, including derivatives such as futures contracts, options on futures contracts, forward contracts, swap agreements, options on securities and indices, or any combination of the foregoing. The ETF does not invest in the physical spot commodity market.

General Information

ETF Name	TSX Ticker(s)	Reporting Currency	Commencement of Operations
SavvyShort Geared Natural Gas ETF	NGDN	CAD	November 5, 2024

Currency Risk (Note 5)

Currency	June 30, 2025		December 31 2024	
	Net exposure \$	Net assets attributable to holders of redeemable shares %	Net exposure \$	Net assets attributable to holders of redeemable shares %
U.S Dollar	2,714,800	100.2	4,506,819	100.3

Numbers shown could include monetary and non-monetary instruments, and derivatives if appropriate.

Based on the assumption that the Canadian Dollar had risen or fallen by 5% in relation to all other currencies, with all other variables held constant, net assets and results of the fund would have increased of decreased by approximately \$135,740 (\$225,341 as at December 31, 2024).

Leverage risk (note 5)

The ETF measures leverage in terms of the total underlying notional value of the securities and/or financial derivative positions as a ratio of the total assets held by such ETF. The ETF is considered an "alternative mutual fund", as defined in amendments to National Instrument 81-102 ("NI 81-102") which came into force on January 3, 2019, and, as such, is permitted to lever its assets: that is, the aggregate underlying market exposure of all derivatives held by the ETF calculated on a daily mark-to-market basis can exceed the ETF's cash and cash equivalents, including cash and securities held as margin on deposit to support the ETF's derivatives trading activities.

The ETF will generally not use leverage in excess of 2 times its net asset value. If the ETF uses leverage in excess of 2 times its net asset value, it shall generally reduce its leverage to 2 times its net asset value within 10 business days. The leverage are disclosed as follows:

Period Ended	Minimum Leverage	Maximum Leverage	Leverage at end of reporting period	Approximate Percentage of Net Assets
June 30, 2025	2.00:1	2.00:1	2.00:1	(200) %
December 31, 2024	2.00:1	2.00:1	2.00:1	(200) %

Price Risk (Note 5)

The ETF's Benchmark Composition	June 30, 2025		December 31, 2024	
	Impact on Net Assets and Results \$	Percentage of Net Assets %	Impact on Net Assets and Results \$	Percentage of Net Assets %
Solactive Natural Gas Rolling Futures Index	(542,133)	(20.0)	(898,998)	(20.0)

The impact is presented in the event that the benchmark's performance would increase or decrease by 10%, based on daily historical correlation during the reporting period, with all variables held constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material. The historical daily correlation may not be representative of future correlation.

One Year Benchmark Performance	200 % One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
		0.0	25.0	50.0	75.0
(40.0)	80.0	177.8	130.3	31.2	(48.6)
(20.0)	40.0	56.3	29.5	(26.2)	(71.1)
0.0	0.0	0.0	(17.1)	(52.8)	(81.5)
20.0	(40.0)	(30.6)	(42.4)	(67.2)	(87.2)
40.0	(80.0)	(49.0)	(57.7)	(75.9)	(90.6)

When comparing the returns of the ETF and the index over any period **other than daily**, the volatility of the index is a significant factor as a result of the rebalancing process. The above table illustrates the impact of two factors, benchmark volatility and benchmark performance, on a leveraged ETF's period performance. The table shows estimated ETF returns for a number of combinations of benchmark performance and benchmark volatility over a one year period.

The annualized volatility in Canadian Dollars of each of the index and the ETF for the Periods ended June 30, 2025, and December 31, 2024, were as follows:

	Index	ETF
June 30, 2025	62.3%	125.0%
	Index	ETF
December 31, 2024	79.9%	158.4%

The tables below show the notional exposure of the ETF to Derivative Agreements as at June 30, 2025, and December 31, 2024, as measured by the Net Notional Exposure. In addition, designated ratings for any Counterparties at each reporting date are presented, as in the credit risk exposure of derivative assets as shown in the statements of financial position.

As at	Counterparty ⁽¹⁾	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
June 30, 2025	NBC	\$(5,424,866)	\$665,748	AA	A-	A3	A-
As at	Counterparty ⁽¹⁾	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2024	NBC	\$(9,013,684)	\$192,364	AA	A+	Aa2	A+

Fair Value of Financial Instruments Table (Note 5)

June 30, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	665,748	-	665,748
Derivative liabilities	-	(44,383)	-	(44,383)
Total derivatives instruments	-	621,365	-	621,365

December 31, 2024	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	192,364	-	192,364
Derivative liabilities	-	(2,693,091)	-	(2,693,091)
Total derivatives instruments	-	(2,500,727)	-	(2,500,727)

Offsetting of Financial Instruments Table (Note 5)

	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
Financial Assets and Liabilities as at June 30, 2025	Gross Assets (Liabilities)					
	Gross Assets (Liabilities)	Offset	Net Amounts	Financials Instruments	Cash Collateral Pledged	
Derivative assets	665,748	-	665,748	(665,748)	-	621,365
Derivative liabilities	(44,383)	-	(44,383)	665,748	-	-
	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
Financial Assets and Liabilities as at December 31, 2024	Gross Assets (Liabilities)					
	Gross Assets (Liabilities)	Offset	Net Amounts	Financials Instruments	Cash Collateral Pledged	
Derivative assets	192,364	-	192,364	(192,364)	-	-
Derivative liabilities	(2,693,091)	-	(2,693,091)	192,364	2,500,727	-

Transactions with Related Parties (Note 7)

Included in accrued expenses is \$4,134 (as at December 31, 2024 – \$11,827) that is payable to the manager for Management Fees and Operating Expenses.

Tax Losses Carried Forward (Note 9)

The ETF has no capital losses or non-capital losses carried forward.

Notes to Financial Statements

NOTE 1: GENERAL INFORMATION

LongPoint ETF Corp. (the Company) is a mutual fund corporation established under the laws of Canada. The authorized capital of the Company includes an unlimited number of no-cumulative, redeemable, non-voting classes of shares (each, a Corporate Class), issuable in an unlimited number of series each series issuable in an unlimited number of shares, and one class of voting shares designated as “Class V Shares”. Each Corporate Class is a separate investment fund with specific investment objectives and a separate portfolio of investments. Each Geared ETF (the “ETFs”) offered under this Prospectus is a separate Corporate Class which consists of a single series of exchange traded fund shares (the “Shares”) of the applicable Corporate Class.

The Geared ETFs are also open-ended alternative mutual funds under applicable securities legislation. The Manager may offer other exchange traded funds under separate prospectuses.

LongPoint Asset Management Inc. (the “Manager”) is the manager, the promoter and the portfolio manager of the ETFs.

Natcan Trust Company is the custodian and the valuation agent.

The headquarters, which is also the principal place of business of the ETFs, is located at 390 Bay Street, Suite 922 Toronto, Ontario, M5H 2Y2, Canada.

The Geared ETFs are listed on the Toronto Stock Exchange (“TSX”) and symbols, as at June 30, 2025, are as follows:

ETF names	Stocks symbols	ETF inception date
SavvyLong Geared Crude Oil ETF	CLUP	November 5, 2024
SavvyLong Geared Natural Gas ETF	NGUP	November 5, 2024
SavvyShort Geared Crude Oil ETF	CLDN	November 5, 2024
SavvyShort Geared Natural Gas ETF	NGDN	November 5, 2024

More in-depth information on the primary activities is presented in the “Notes to Financial Statements – ETF Specific Notes” section regarding the ETFs. The Statements of Financial Position and related notes of the ETFs are presented as at June 30, 2025, and December 31, 2024.

The Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares, Statement of Cash Flows and related notes are presented for the period ending June 30, 2025.

These financial statements were approved and authorized for issue on August 20, 2025, by the Board of Directors of LongPoint Asset Management Inc.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION AND BASIS OF PRESENTATION

2.1 Basis of presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS Accounting Standards”), as issued by the International Accounting Standards Board (“IASB”), as applicable to the preparation of interim financial statements, under International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*.

2.2 Financial instruments

2.2.1 Classification

The ETFs classify their financial instruments in the following categories in accordance with IFRS 9 – Financial Instruments (“IFRS 9”).

2.2.1.1 Financial assets and liabilities at fair value

Given that the investments in the ETFs are measured on a fair value basis according to the investment strategy defined in their prospectus, these investments and derivative financial instruments are classified in this category when they are initially recognized.

Derivative financial instruments are financial contracts that derive their value from changes in the underlying interest rates, foreign exchange rates, or other financial or commodity prices or indices. They could require a nominal amount and are settled at a future date.

In the Statement of Financial Position, financial assets and liabilities at fair value include the following items: “Derivative assets” and “Derivative liabilities”.

In the Statement of Comprehensive Income, gains (losses) from these financial instruments are included in the following items: “Change in net unrealized appreciation/depreciation on investments and derivatives”.

2.2.1.2 Financial assets at amortized cost

The ETFs have included cash, cash held for collateral, as financial assets at amortized cost which approximates fair value given their short-term nature.

Financial assets at amortized cost must be depreciated by the amount of expected credit losses. Given the very short maturity of these financial assets, the financial strength of the counterparties involved, and the history of losses incurred, the Manager believes that the risk of loss is very low. For this reason, no impairment was recorded for assets at amortized cost.

2.2.1.3 Financial liabilities at amortized cost

This category includes all financial liabilities, except those classified at fair value through profit or loss.

The ETFs have included accrued expenses.

2.2.2 Recognition and Measurement

2.2.2.1 Investment transactions

Investment transactions are accounted for on the trade date. Transaction costs, such as brokerage commissions, incurred at the time of purchase and sale of investments by the ETFs are recognized as “Transaction costs” in the Statement of Comprehensive Income.

Fees related to the operation of the Forward Agreements are not included in the management fees or other operating expenses of the ETFs. Forward fees related to the Forward Agreements, as described in the “Fees and Expenses” section of the ETF’s prospectus, are incurred by way of a reduction in the forward price payable to the ETFs by the Counterparty. For the purposes of financial reporting, these expenses have been broken out and disclosed in “Transaction costs” in the Statement of comprehensive income and are included in the trading expense ratio in the management report of fund performance.

Realized gains and losses arising from investment transactions and unrealized appreciation or depreciation on investments and derivatives are determined from the cost using the average cost basis that does not take into account the amortization of premiums or discounts on fixed-income securities and debt securities, apart from zero-coupon bonds.

2.2.2.2 Recording of income and expenses

Income and expenses are recorded using the accrual basis of accounting.

Distributions

The company does not currently intend to pay regular dividends on the Shares.

Forward Agreements

The ETFs enter into forward documents with a bank counterparty that provide positive exposure that substantially corresponds to the daily performance of its daily target and/or forward documents that provide negative exposure that substantially corresponds to the performance of its Daily Target. The ETFs seek to achieve their investment objective through the net exposure of its respective forward documents. The amount payable by a bank counterparty under the forward documents is based upon an up to two times (2X) or inverse (opposite) (-2X) the daily performance of the applicable Daily Target.

Each Forward Agreement with a Counterparty in which the ETF is provided with exposure that corresponds positively with the exposure to the Underlying Index requires the ETF to pay the Counterparty an agreed notional amount. In return, the Counterparty pays the ETFs the value of the notional investment, plus an amount based upon any increase or decline in the Underlying Index. Each Forward Agreement with a Counterparty in which the ETF is provided with exposure that corresponds negatively with the exposure to the Underlying Index requires the Counterparty to pay the ETF an agreed notional amount. In return, the ETFs pay the Counterparty the value of the notional investment, plus an amount based upon any increase or decline in the Underlying Index. The ETFs also invest the net proceeds of share subscriptions in interest bearing accounts to earn short-term money-market interest rates. The terms of the Forward Agreements require the ETFs to pledge substantially all of its respective interest bearing account to the Counterparty to secure the payment of the ETF’s payment obligations under the Forward Agreements. The ETFs have the ability to replace Counterparties or engage additional Counterparties at any time.

Since the Forward Agreements, like most forward agreements, may settle the obligations of each party on a net basis, the exposure of the ETFs to the credit risk of any one Counterparty is limited to the positive mark-to-market of the Forward Agreements entered into with that Counterparty, if any, which is calculated and accrued on a daily basis.

The forwards agreements are reported in the Statement of Financial Position under “Derivative assets” and “Derivative liabilities” and in the Statement of Comprehensive Income under “Change in net unrealized appreciation/depreciation on investments and derivatives”.

2.2.3 Measurement

According to IFRS 13 - Fair Value Measurement, fair value is defined as the price that would be received on the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants at the valuation date.

2.2.3.1 Initial Measurement

Upon initial measurement, the ETF's financial instruments are measured at fair value, plus transaction costs for financial instruments measured at amortized cost.

2.2.3.2 Subsequent measurement

Financial assets and liabilities at fair value are measured at fair value with changes in fair value recognized in the Statement of Comprehensive Income as "Change in net unrealized appreciation/depreciation on investments and derivatives". Refer to Note 5 – Financial instruments disclosures for the valuation methods used.

The ETFs' obligations regarding net assets attributable to holders of redeemable securities are recorded at the redemption value as at the date of the Statement of Financial Position.

All other financial assets and liabilities are measured at amortized cost. Given the short-term maturity of these financial instruments, their value at amortized cost approximates their fair value.

2.2.4 Derecognition

Financial assets are derecognized when the contractual rights to the cash flows from the investments have expired or when the ETFs have significantly transferred the risk and financial reward of its participation (ownership). Financial liabilities are derecognized when a contractual arrangement specifies that the obligation to that liability is discharged, cancelled or expired.

The cost of investments represents the amount paid for each security and is determined on an average cost basis, and excludes commissions and other portfolio transaction costs, which are separately reported on the Statement of Comprehensive Income. Realized gains and losses are recognized based on the average cost method and included if applicable in "Net realized gains (losses) on sale of investments and derivatives" in the Statement of Comprehensive Income for the period in which they occur.

2.3 Cash

Cash includes cash deposits, bank overdrafts, if applicable, cash held for collateral that consists of cash posted as collateral to the derivative agreement, they are included in the Statement of Financial Position.

2.4 Redeemable shares

The outstanding redeemable shares of the ETFs may be redeemed for cash at an amount less than the closing price of the Shares on the TSX. This reduced redemption price results in cash flow from redemptions not being significantly based on net asset value. In addition, these features violate criteria that are required in order for the shares to be presented as equity under IAS 32. Consequently, the ETFs outstanding redeemable shares are classified as financial liabilities in accordance with the requirements of IAS 32, Financial Instruments: Presentation.

2.4.1 Valuation of shares

For the purpose of processing transactions for shareholders in the ETFs, in accordance with National Instrument 81-106 respecting Investment Fund Continuous Disclosure, the net asset value of the ETFs are equivalent to the total market value of the ETF's assets, less its liabilities. The net asset value of the shares and the net asset value per share of the ETFs are calculated at the valuation time each business day that the Toronto Stock Exchange is open for trading and any other day designated by the Manager. The ETFs issue shares on a continuous basis and there is no maximum number of shares that may be issued.

Shareholders may buy or sell shares of the ETFs on an exchange or marketplace through registered brokers and dealers in the province or territory where the shareholder resides. Shareholders may incur customary brokerage commissions in buying or selling shares. No fees are paid by a shareholder to the Manager or the ETFs in connection with the buying or selling of shares on the TSX or another exchange or marketplace. Shareholders may exchange a minimum of a prescribed number of shares (and any additional multiple thereof) for cash or, with the consent of the Manager, securities and cash. Refer to the "Redemption of Shares" section in the ETF's prospectus for more information.

Net assets attributable to holders of redeemable units refers to net assets calculated in accordance with IFRS Accounting Standards. Net assets attributable to holders of redeemable shares per share are calculated by dividing net assets attributable to holders of redeemable shares by the number of outstanding shares.

2.4.2 Increase or decrease in net assets attributable to holders of redeemable shares per unit

"Increase (decrease) in net assets attributable to holders of redeemable shares per share" presented in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable share for the period, divided by the average number of shares outstanding during the period.

2.5 Functional currency and foreign currency translation

The ETF's purchases and redemptions are denominated in Canadian dollars. The Canadian dollar is considered the functional and presentation currency of the ETFs.

The fair value of investments, derivatives, other assets and liabilities denominated in foreign currencies is translated into the functional currency at the exchange rate in effect as at the date of the Statement of Financial Position.

Transactions in foreign currency transactions are translated into the ETF's reporting currency using the exchange rates prevailing on the trade date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at period-end exchange rates are recognized in the Statement of Comprehensive Income under "Change in unrealized gains/losses on foreign currencies" 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 "Change in net unrealized appreciation/depreciation on investments and derivatives" in the Statement of Comprehensive Income.

2.6 Taxes

Under the Income Tax Act (Canada) (the "Tax Act"), the ETFs qualify as a mutual fund corporation (see Note 8 Income Taxes), all of its net income for tax purposes and a sufficient portion of the net capital gains realized in any taxation year must be distributed to shareholders such that no income tax is payable by the ETFs.

The ETFs are subject to withholding taxes on investment income and capital gains in certain foreign countries. Such income and gains are recorded on a gross basis and the related withholding taxes are shown if applicable, as "Withholding taxes" in the Statement of Comprehensive Income.

2.7 Offsetting financial assets and financial liabilities

Financial instruments are recognized on a net or gross basis in the Statement of Financial Position based on the intention or legal obligation to offset opposite positions on instruments held with the same counterparties. Amounts offset in the Statement of Financial Position arise from transactions where the ETFs have a legally enforceable right to offset and intend to settle the positions on a net basis. Amounts not offset in the Statement of Financial Position arise from transactions where a master netting arrangement is in place with a right to offset only in the event of default, insolvency or bankruptcy, or where the ETFs have no intention of settling on a net basis.

NOTE 3: CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

When preparing the financial statements, the Manager of the ETFs undertake several judgments through the application of the accounting policies of the ETFs.

3.1 Estimation uncertainties

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

3.1.1 Fair value of financial instruments

Fair value is the price of an orderly transaction between market participants at the measurement date in 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 valuation date, as defined in the ETF's prospectus ("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.

NOTE 4: CHANGES IN ACCOUNTING STANDARDS THAT ARE NOT YET IN EFFECT

At the date of authorization of these financial statements, there are no new standards, amendments, or interpretations of existing standards issued by the IASB that have a material impact on these financial statements.

However, the IASB has issued IFRS 18 – Presentation and Disclosure in Financial Statements, which replaces IAS 1 and is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. IFRS 18 introduces significant changes to the presentation of the statement of profit or loss, including the requirement to disclose new defined subtotals such as operating profit and profit before financing and income taxes, as well as mandatory disclosures of management-defined performance measures. The ETF is currently assessing the potential impact of IFRS 18 on its financial reporting.

NOTE 5: FINANCIAL INSTRUMENT DISCLOSURES

5.1 Financial risks

In the normal course of business, ETF's investment activities expose it to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks for ETF's performance by employing professional, experienced portfolio advisors, by daily monitoring of the ETF's positions and market events. An investment in the ETF can be speculative and can involve a high degree of risk and may only be suitable for persons who are able to assume the risk of losing their entire investment.

Tables quantifying the various financial risks are presented in the specific notes of the ETFs. This sensitivity analysis may differ from actual results and the differences could be significant.

5.2 Credit risk

Credit risk is the risk that a commitment with an ETF will not be upheld by the counterparty to a financial instrument. The ETFs credit risk is derived primarily from debt securities and derivative instruments held, if applicable.

The fair value of total assets represents the maximum credit risk as at the end of the period. The fair value of a financial instrument reflects the creditworthiness and the credit rating of the issuer.

The ETF's policy with respect to credit risk management is to invest in financial assets whose credit rating is established by recognized credit rating agencies. Credit risk is reduced by choosing reputable financial asset issuers that have previously been subject to a rigorous credit assessment.

Portfolio securities transactions are settled upon delivery by the brokers. The risk of default is considered low because the delivery of securities is made once the broker has received payment. The transaction fails when one of the parties fails to honor its commitments.

The ETFs are exposed to deposit credit risk. If the security custodian becomes insolvent, the ETFs may encounter a delay in accessing its assets.

The portfolio manager monitors counterparty credit rating. All counterparties must meet the credit rating requirements of NI 81-102.

A table showing the distribution of securities according to their credit rating is presented in the specific notes for the ETFs whose exposure to credit risk is significant at the end of the period.

5.3 Liquidity risk

Liquidity risk is defined as the risk that the ETFs will have difficulty meeting its obligations or commitments within a reasonable delay. Security holders of the ETFs may redeem their securities on any valuation day.

The ETFs may invest in derivatives, debt securities and unlisted equity securities that are not traded on an active market.

In certain circumstances, such as the disruption of the orderly markets for equity securities and/or other financial instruments in which the ETFs invest, the ETFs may not be able to dispose of certain holdings quickly or at prices that represent fair market value of such investments. Certain derivative instruments that are held by an ETF may also be illiquid, which may prevent the ETFs from being able to limit its losses, to realize gains or from achieving a high (or inverse, depending on the Geared ETF) correlation with its Daily Target.

Liquidity risk is the risk that the ETF will encounter difficulty in meeting the obligations associated with its financial liabilities. The ETF may, at times, have very large purchase and redemption activity. However, the performance of the ETF is primarily affected by the performance of its derivative agreements, which are rebalanced daily, and are tied to the performance of the underlying Index. The performance and liquidity of the ETF is unaffected by the asset size of the ETF, purchases or redemptions as these transactions are taken into account during the daily rebalancing of the derivative agreements.

5.4 Market risk

ETF's investments are subject to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The market risk can be broken down into the following three risk components: currency risk, interest rate risk and price risk.

The ETFs do not seek to meet their investment objective over any period other than daily, as the ETFs are rebalanced daily to ensure an investor's risk is limited to the current value of their investment.

ETF's returns over periods longer than one day will likely differ in amount and possibly direction from the performance of the Underlying Index for the same period. This effect becomes more pronounced as the volatility of the Underlying Index increases.

5.4.1 Currency risk

Currency risk is the risk that financial instruments which are denominated in currencies other than the ETF's reporting currency will fluctuate due to changes in exchange rates and adversely impact the ETF's income, cash flows or fair values of its investments holdings.

A table quantifying the currency risk is presented, if applicable, in the specific notes for the ETF having a significant exposure to foreign currencies at the end of the period.

5.4.2 Interest rate risk

The ETFs 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.

A table quantifying the rate risk, if applicable, is presented in the specific notes.

5.4.3 Other price risk

Price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices caused by factors specific to a security, its issuer or any other factor affecting a market or a segment of the market (other than those arising from currency risk and interest rate risk).

A table quantifying the price risk is presented in the specific notes for the ETFs having a significant exposure to this risk at the end of the period.

5.5 Concentration risk

Concentration risk arises from the net exposure of financial instruments to the same investment category, notably based on a region, a type of asset, industry or market segment. Financial instruments of the same category have similar characteristics and are affected similarly by changes in economic or other conditions. The ETFs have daily targets which are concentrated as they each relate to a single commodity. Concentration in fewer underlying securities and/or commodities may result in a greater degree of volatility in a daily target and as a result, the net asset value of the ETFs under specific market conditions and over time. Historical levels of comparable indices should not be taken as an indication of the future performance of a Daily Target. It is impossible to predict whether a daily target will rise or fall. The actual performance of a daily target, as well as the value of the applicable ETFs, may bear little relation to the historical levels of comparable indices.

A table quantifying the concentration risk is presented in the specific notes for the ETFs according to the type of concentration that the Manager has determined to be relevant.

5.6 Fair value measurement

The ETFs measure fair value using the following hierarchy that reflects the inputs used in making the valuations. For the purpose of presenting information about financial instruments, these must be classified according to a fair value valuation hierarchy. This three-level hierarchy is established according to the transparency of data considered in assessing the fair value of assets and liabilities and is presented below:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the ETFs can access on the valuation date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Unobservable inputs relating to the asset or liability. This category includes all instruments for which the valuation technique includes inputs not based on observable data and unobservable inputs that have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments, but for which significant unobservable adjustments or assumptions are required to account for differences between instruments. This category also includes illiquid securities (are considered as such when no transaction has been recorded for such securities for more than 10 days), insolvent securities, delisted securities or securities suspended for more than one year and private investments as well.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is ranked at the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. When, at the financial position date, the observable inputs used for a financial instrument are different from those used at the opening date, it is the policy of the ETFs to establish that on the date of the event or change in circumstances, a transfer between levels of the fair value hierarchy is deemed to have occurred.

A table showing the breakdown of securities according to their level at the end of the period along with a sensitivity analysis of the ETFs with Level 3 financial instruments, as applicable, are presented in the specific notes for the ETFs.

5.6.1 Securities Level 2

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.

NOTE 6: REDEEMABLE SECURITIES

The ETFs are authorized to issue an unlimited number of redeemable and assignable shares.

6.1 Redemption of Shares in any Number for Cash

On any Trading Day, shareholders may redeem: (i) shares of a ETF for cash at a redemption price per share equal to 95% of the closing price for the shares of that ETF on the TSX on the effective day of the redemption, subject to a maximum redemption price per share equal to the net asset value per share on the effective day of redemption; or (ii) a PNS ("Prescribed numbers of shares") or a whole multiple PNS in exchange for cash equal to the net asset value of that number of Shares of ETF following the receipt of the redemption request, provided that such redemption request may be subject to redemption charges at the sole discretion of the Manager. Because shareholders will generally be able to sell (rather than redeem) shares of an ETF at the applicable market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, unless they are redeeming a PNS, shareholders are advised to consult their brokers, dealers or investment advisors before redeeming the shares for cash. In order for a redemption to be effective on a trading day when the principal exchange or market for the securities or financial instruments to which a ETF is exposed does not close early, a redemption request in the form prescribed by the Manager from time to time must be delivered to, and accepted by, that ETF at its head office by the exchange/redemption deadline or such other time as may be determined by the Manager from time to time, on that day. If a redemption request is not received and accepted by the exchange/redemption deadline on a trading day, the redemption order will be effective only on the next trading day unless rescinded. Payment of the redemption price will generally be made on the first Valuation Day after the effective day of the redemption. The redemption request forms may be obtained from any registered broker or dealer. On days when the principal exchange or market for the securities or financial instruments to which an ETF is exposed closes early, the earlier deadline for redemption requests in respect of such ETF will be made available to the Designated Broker and the dealers. Shareholders that have delivered a redemption request prior to a distribution record date for any distribution will not be entitled to receive that distribution.

6.2 Exchange of Prescribed Number of Shares

On any trading day, shareholders may exchange a minimum of a prescribed number of shares (and any additional multiple thereof) for baskets of securities and cash or, with the consent of the Manager, cash. To affect an exchange of shares, a shareholder must submit an exchange request in the form prescribed by the manager from time to time to the applicable ETFs at its head office or as the Manager may otherwise direct by the applicable cut-off time on a trading day. The exchange price will be equal to the aggregate NAV per Unit of the Prescribed Number of Shares on the effective day of the exchange request, payable in cash or, with the consent of the Manager, by delivery of a Basket of Securities (constituted prior to the receipt of the exchange request) and cash. The exchange price will be equal to the aggregate net asset value per unit of the prescribed number of shares on the effective day of the exchange request, payable by delivery of baskets of securities (constituted prior to the receipt of the exchange request) and cash or, with the consent of the Manager, cash. On an exchange, the Manager may, at its discretion, require the shareholder to pay or reimburse the applicable ETFs for the trading expenses incurred or expected to be incurred by the ETFs in connection with the sale by such ETFs of securities in order to obtain the necessary cash to fund the exchange price. On an exchange, the applicable shares will be redeemed.

If an exchange request is not received by the applicable cut-off time on a trading day, subject to the discretion of the Manager, the exchange request will be deemed to be received only on the next trading day. Settlement of exchanges for cash or, with the consent of the Manager, for a Basket of Securities and cash, as the case may be, will be made by no later than the second business day (or such shorter period as may be determined by us in response to changes to applicable law or general changes to settlement procedures in applicable markets) after the effective day of the exchange request.

The Manager will make available to the designated broker and the dealers' information as to the prescribed number of shares and any basket of securities for the ETFs for each trading day. The Manager may, at its discretion, increase or decrease the prescribed number of shares from time to time.

A shareholder who exchanges or redeems shares during the period that is one trading day before a distribution record date until that distribution record date will be entitled to receive the applicable distribution in respect of those shares.

If securities held in the portfolio of the ETFs are ceased traded at any time by order of a securities regulatory authority or other relevant regulator or stock exchange, the delivery of such securities to a shareholder on an exchange may be postponed until such time as the transfer of the securities is permitted by law.

6.3 Characterization of Redemption or Exchange Amount

The redemption or exchange price paid to a shareholder may include capital gains realized by the ETFs. The remaining portion of the exchange or redemption price will be proceeds of disposition.

6.4 Shares

The number of outstanding shares and the number of shares issued, reinvested and redeemed for the period ended June 30, 2025, are presented after the Statement of Changes in “Net Assets Attributable to Holders of Redeemable Shares” of the ETFs.

NOTE 7: TRANSACTIONS WITH RELATED PARTIES

Transactions that are considered to be related party transactions for the ETFs are presented in the specific notes for the ETFs to which the situation applies.

7.1 Manager

LongPoint Asset Management Inc. is the promoter of the ETFs. Accordingly, is entitled to receive, in exchange for the services that it provides to the ETFs, management fees paid to it by the ETFs (see “Management Fees” below).

From time to time, the Manager may, on behalf of the ETFs, carry out transactions or sign agreements to involve certain persons or companies related to it, to the extent that these transactions or agreements are, in its opinion, in the interest of the ETFs. The description of the transactions or agreements between the ETFs and a related party is provided in this section.

7.2 Designated Broker

The Manager has signed an agreement with National Bank Financial Inc. (“NBF”). NBF is the designated broker for the ETFs.

7.3 Management fees

The ETFs will pay the Manager a management fee of 1.25% based on the average daily NAV of the ETFs. The management fee, plus applicable taxes, will be accrued daily and paid monthly.

The management fee is payable to the Manager in consideration of the services that the Manager provides to the ETFs in its capacity as the Manager such as, managing the day-to-day business and affairs of the ETFs.

7.4 Operating Expenses

Unless otherwise waived or reimbursed by the Manager, the ETFs pay all of their operating expenses, including but not limited to: management fees; audit fees; custodial expenses; valuation, accounting and record keeping costs; legal expenses; permitted prospectus preparation and filing expenses; costs associated with delivering documents to shareholders; costs associated with meetings of Shareholders; listing and annual stock exchange fees; index licensing fees, if applicable; CDS fees; bank related fees and interest charges; extraordinary expenses; Shareholder reports and servicing costs; transfer agent and registrar fees; costs of the independent review committee; costs of operating the Company; income taxes; sales Tax; brokerage expenses and commissions; withholding taxes and fees payable to service providers in connection with regulatory compliance and tax matters in foreign jurisdictions; proxy costs; and the costs of complying with any new governmental or regulatory requirement introduced after the ETF is established.

NOTE 8: INCOME TAXES

The Company intends at all relevant times to continue to qualify as a “mutual fund corporation” as defined in the Tax Act.

Each ETF will be a separate class of shares of the Company. Although the Company may issue shares in any number of classes, in any number of series, it will be required (like any other mutual fund corporation with a multiclass structure) to compute its income and net capital gains for tax purposes as a single entity. All of the Company’s revenues, deductible expenses, non-capital losses, capital gains and capital losses in connection with all of its investment portfolios, and other items relevant to its tax position (including the tax attributes of all of its assets), will be taken into account in determining the income (and taxable income) or loss of the Company and applicable taxes payable by the Company as a whole.

As a result of the Company being required to calculate its income as a single entity and not being able to flow all of its income through to its shareholders, the overall result for a Holder of a particular ETF will differ from what would be the case if the Holder had invested in a mutual fund trust, or a single-class mutual fund corporation, that made the same investments as the particular ETF.

The Company may establish a policy to determine how it allocates income, capital gains and other amounts in a tax efficient manner among its Corporate Classes in a way that it believes is fair, consistent and reasonable for all Shareholders, with the general intent that allocations to each of the Corporate Classes track the performance of the corresponding portfolio, but subject to the foregoing paragraph. The amount of dividends, if any, paid to Shareholders will be based on this tax allocation policy.



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