

# Annual Financial Statements

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For the period ended December 31, 2025



**LONGPOINT**  
ETFs

## Manager's Responsibility for Financial Reporting

The accompanying audited annual financial statements of MegaLong (3X) NASDAQ-100<sup>®</sup> Daily Leveraged Alternative ETF, MegaShort (-3X) NASDAQ-100<sup>®</sup> Daily Leveraged Alternative ETF, MegaLong (3X) S&P 500<sup>®</sup> Daily Leveraged Alternative ETF, MegaShort (-3X) S&P 500<sup>®</sup> Daily Leveraged Alternative ETF, MegaLong (3X) US Semiconductors Daily Leveraged Alternative ETF, MegaShort (-3X) US Semiconductors Daily Leveraged Alternative ETF, MegaLong (3X) Canadian Banks Daily Leveraged Alternative ETF, MegaLong (3X) Canadian Gold Miners Daily Leveraged Alternative ETF, and MegaShort (-3X) Canadian Gold Miners Daily Leveraged Alternative ETF are the responsibility of the manager to the ETF, LongPoint Asset Management Inc. These financial statements have been prepared in accordance with IFRS Accounting Standards using information available to the Manager and include certain amounts that are based on the Manager's estimates and judgments.

The Manager is responsible for maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded and that relevant, reliable and timely financial information, including the financial statements are produced.

The Board of Directors of the Manager and the Board of Directors of LongPoint ETF Corp. have approved these financial statements.

KPMG LLP, Chartered Professional Accountants, Licensed Public Accountants, have audited the financial statements on behalf of the shareholders. The independent auditor's report outlines the scope of their audit and their opinion on the financial statements.



(signed) "Steven J. Hawkins"

Steven J. Hawkins, Director



(signed) "Paul L. Glavine"

Paul L. Glavine, Director



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## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of

MegaLong (3X) NASDAQ-100® Daily Leveraged Alternative ETF  
MegaShort (-3X) NASDAQ-100® Daily Leveraged Alternative ETF  
MegaLong (3X) S&P 500® Daily Leveraged Alternative ETF  
MegaShort (-3X) S&P 500® Daily Leveraged Alternative ETF  
MegaLong (3X) US Semiconductors Daily Leveraged Alternative ETF  
MegaShort (-3X) US Semiconductors Daily Leveraged Alternative ETF  
MegaLong (3X) Canadian Banks Daily Leveraged Alternative ETF  
MegaLong (3X) Canadian Gold Miners Daily Leveraged Alternative ETF  
MegaShort (-3X) Canadian Gold Miners Daily Leveraged Alternative ETF  
(collectively, the "ETFs")

### **Opinion**

We have audited the financial statements of the ETFs, which comprise:

- the statements of financial position as at December 31, 2025
- the statements of comprehensive income (loss) for the period from May 7, 2025 to December 31, 2025
- the statements of changes in net assets attributable to holders of redeemable shares for the period from May 7, 2025 to December 31, 2025
- the statements of cash flows for the period from May 7, 2025 to December 31, 2025
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ETFs as at December 31, 2025, and their financial performance and their cash flows for the period from May 7, 2025 to December 31, 2025 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.



### ***Basis for Opinion***

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***“Auditor’s Responsibilities for the Audit of the Financial Statements”*** section of our auditor’s report.

We are independent of the ETFs in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Other Information***

Management is responsible for the other information. Other information comprises:

- the information included in the Management Reports of Fund Performance of the ETFs.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits and remain alert for indications that the other information appears to be materially misstated.

We obtained the Management Reports of Fund Performance of the ETFs as at the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor’s report.

We have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged With Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ETFs' ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the ETFs or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the financial reporting process of the ETFs.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ETFs' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ETFs' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the ETFs to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

The engagement partner on the audits resulting in this auditor's report is Peter Hayes.

Toronto, Canada

March 30, 2026

# MegaLong (3X) NASDAQ-100® Daily Leveraged Alternative ETF ("QQQU")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
<b>Assets</b>		\$
Cash and cash equivalents	2	68
Cash held for collateral	2	4,673
Derivative assets	5	6,409
<b>Total assets</b>		<b>11,150</b>
<b>Liabilities</b>		
Accrued expenses	7	21
Derivative liabilities	5	102
<b>Total liabilities</b>		<b>123</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>11,027</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2	<b>31.50</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Interest income for distribution purposes		1
Changes in fair value		
Net realized gains (losses) on sale of investments and derivatives		(306)
Net realized gains (losses) on foreign currencies		(42)
Change in net unrealized appreciation (depreciation) on investments and derivatives		6,307
Change in unrealized gains (losses) on foreign currencies		(60)
<b>Total income (loss)</b>		<b>5,900</b>
<b>Expenses</b>	7	
Management fees		61
Independent review committee fees		1
Audit fees		9
Other operating expenses		71
Fees paid by the Manager		(9)
<b>Total expenses</b>		<b>133</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>5,767</b>
<b>Average number of shares</b>	2	<b>432,560</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>13.33</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		5,767
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	24,179
Redemption of redeemable shares		(18,919)
<b>Total redeemable shares transactions</b>		5,260
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		11,027
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		11,027
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		950,005
Redeemable shares redeemed		(600,005)
<b>Redeemable shares outstanding, end of the period</b>		350,000

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
<b>Cash flows from (used in) operating activities</b>		\$
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	5,767
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		(6,307)
Change in unrealized (gains) losses on foreign currencies		60
Accrued expenses		21
<b>Net cash from (used in) operating activities</b>		(459)
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	24,179
Amounts paid on redemption of redeemable shares		(18,919)
<b>Net cash from (used in) financing activities</b>		5,260
Change in unrealized gains (losses) on foreign currencies		(60)
Net increase (decrease) for the period		4,801
Cash, beginning of the period		-
<b>Cash, end of the period</b>		4,741
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		68
Cash held for collateral		4,673
<b>Cash, end of the period</b>		4,741
<b>Included in cash flows from operating activities</b>		
Interest received		1

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

**Schedule of Investments****As at December 31, 2025****(in Canadian dollars)**

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Forward Agreements (57.2%)</b>		
<b>Long Forward Agreement (58.1%)</b>		
NASDAQ-100® Forward Agreement	66,167,444	<u>6,409,637</u>
Payment Date October 01, 2027		
<b>Short Forward Agreement (-0.9%)</b>		
NASDAQ-100® Forward Agreement	(33,083,722)	<u>(102,277)</u>
Payment Date October 15, 2027		
<b>Total Investments (57.2%)</b>		<u>6,307,360</u>
<b>Cash Held for Collateral (42.4%)</b>		<u>4,673,342</u>
<b>Cash and Other Net Assets (0.4%)</b>		<u>46,036</u>
<b>Net Assets (100%)</b>		<u>11,026,738</u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaLong (3X) NASDAQ-100® Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times (3X) the daily performance of its underlying benchmark, currently the NASDAQ 100® 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 interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaLong (3X) NASDAQ-100® Daily Leveraged Alternative ETF	QQQU	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)		Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	
Derivative assets	6,409,637	-	6,409,637	(102,277)	6,307,360
Derivative liabilities	(102,277)	-	(102,277)	102,277	-
				Cash Collateral Pledged	

### Currency Risk (Note 5)

Currency	December 31, 2025	
	Net exposure	Net assets attributable to holders of redeemable shares
U.S. Dollar	\$ 11,048,212	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 decreased or increased, respectively, by approximately \$552,411.

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	300%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results	Percentage of Net Assets
NASDAQ-100® Index	\$ 3,308,021	30.0%

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.

**Credit Risk (Note 5)**

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$33,083,722	\$6,409,637	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

**Fair Value of Financial Instruments Table (Note 5)**

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	6,409,637	-	6,409,637
Derivative liabilities	-	(102,277)	-	(102,277)
<b>Total derivative instruments</b>	-	<b>6,307,360</b>	-	<b>6,307,360</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

**Volatility Risk (Note 5)**

One Year Benchmark Performance	300% One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
		0.0	25.0	50.0	75.0
(40.0)	(120.0)	(78.5)	(82.2)	(89.9)	(96.1)
(20.0)	(60.0)	(48.8)	(57.6)	(75.9)	(90.7)
0.0	0.0	0.0	(17.0)	(52.7)	(81.6)
20.0	60.0	72.7	43.4	(18.0)	(67.9)
40.0	120.0	174.0	127.7	30.5	(48.6)

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	14.5%	43.4%

**Transactions with Related Parties (Note 7)**

Included in accrued expenses is \$21,473 that is payable to the Manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$9,098.

**Tax Losses Carried Forward (Note 9)**

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
	\$	\$
Capital Losses	-	-
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# MegaShort (-3X) NASDAQ-100® Daily Leveraged Alternative ETF ("QQQD")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
		\$
<b>Assets</b>		
Cash and cash equivalents	2	80
Cash held for collateral	2	7,199
Derivative assets	5	18
<b>Total assets</b>		<b>7,297</b>
<b>Liabilities</b>		
Accrued expenses	7	7
Derivative liabilities	5	65
<b>Total liabilities</b>		<b>72</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>7,225</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2	<b>12.04</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Changes in fair value		
Net realized gains (losses) on sale of investments and derivatives		(2,213)
Net realized gains (losses) on foreign currencies		(16)
Change in net unrealized appreciation (depreciation) on investments and derivatives		(47)
Change in unrealized gains (losses) on foreign currencies		(102)
<b>Total income (loss)</b>		<b>(2,378)</b>
<b>Expenses</b>	7	
Management fees		24
Independent review committee fees		-
Audit fees		9
Other operating expenses		54
Fees paid by the Manager		(33)
<b>Total expenses</b>		<b>54</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>(2,432)</b>
<b>Average number of shares</b>	2	<b>330,449</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>(7.36)</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		(2,432)
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	19,119
Redemption of redeemable shares		(9,462)
<b>Total redeemable shares transactions</b>		9,657
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		7,225
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		7,225
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		1,350,005
Redeemable shares redeemed		(750,005)
<b>Redeemable shares outstanding, end of the period</b>		600,000

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
		\$
<b>Cash flows from (used in) operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(2,432)
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		47
Change in unrealized (gains) losses on foreign currencies		102
Accrued expenses		7
<b>Net cash from (used in) operating activities</b>		<b>(2,276)</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	19,119
Amounts paid on redemption of redeemable shares		(9,462)
<b>Net cash from (used in) financing activities</b>		<b>9,657</b>
Change in unrealized gains (losses) on foreign currencies		(102)
Net increase (decrease) for the period		7,381
Cash, beginning of the period		-
<b>Cash, end of the period</b>		<b>7,279</b>
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		80
Cash held for collateral		7,199
<b>Cash, end of the period</b>		<b>7,279</b>

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

**Schedule of Investments**  
**As at December 31, 2025**  
**(in Canadian dollars)**

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Forward Agreements (-0.6%)</b>		
<b>Short Forward Agreement (-0.9%)</b>		
NASDAQ-100® Forward Agreement	(22,578,814)	<u>(64,937)</u>
Payment Date October 01, 2027		
<b>Long Forward Agreement (0.3%)</b>		
NASDAQ-100® Forward Agreement	903,153	<u>18,189</u>
Payment Date October 15, 2027		
<b>Total Investments (-0.6%)</b>		<u>(46,748)</u>
<b>Cash Held for Collateral (99.6%)</b>		<u>7,199,249</u>
<b>Cash and Other Net Assets (1.0%)</b>		<u>72,484</u>
<b>Net Assets (100%)</b>		<u>7,224,985</u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaShort (-3X) NASDAQ-100® Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times the inverse (-3X) daily performance of its underlying benchmark, currently the NASDAQ 100® 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 interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaShort (-3X) NASDAQ-100® Daily Leveraged Alternative ETF	QQQD	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)		Net Amounts	Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset		Financial Instruments	Cash Collateral Pledged	
Derivative assets	18,189	-	18,189	(18,189)	-	-
Derivative liabilities	(64,937)	-	(64,937)	18,189	46,748	-

### Currency Risk (Note 5)

Currency	December 31, 2025	
	Net exposure \$	Net assets attributable to holders of redeemable shares %
U.S. Dollar	7,231,964	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 ETF would have decreased or increased, respectively, by approximately \$361,598.

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	(300)%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results \$	Percentage of Net Assets %
NASDAQ-100® Index	(2,167,495)	(30.0)

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.

**Credit Risk (Note 5)**

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$(21,675,661)	\$18,189	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

**Fair Value of Financial Instruments Table (Note 5)**

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	18,189	-	18,189
Derivative liabilities	-	(64,937)	-	(64,937)
<b>Total derivative instruments</b>	-	<b>(46,748)</b>	-	<b>(46,748)</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

**Volatility Risk (Note 5)**

One Year Benchmark Performance	(300%) One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
		0.0	25.0	50.0	75.0
(40.0)	120.0	360.0	217.8	4.0	(84.2)
(20.0)	60.0	95.1	34.4	(56.3)	(93.4)
0.0	0.0	0.0	(31.2)	(77.7)	(96.7)
20.0	(60.0)	(42.2)	(60.3)	(87.2)	(98.1)
40.0	(120.0)	(63.7)	(75.1)	(92.0)	(98.8)

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	14.5%	44.1%

**Transactions with Related Parties (Note 7)**

Included in accrued expenses is \$6,980 that is payable to the manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$32,761.

**Tax Losses Carried Forward (Note 9)**

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
	\$	\$
Capital Losses	-	-
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# MegaLong (3X) S&P 500® Daily Leveraged Alternative ETF ("SPYU")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
<b>Assets</b>		\$
Cash and cash equivalents	2	134
Cash held for collateral	2	10,463
Derivative assets	5	5,565
<b>Total assets</b>		<b>16,162</b>
<b>Liabilities</b>		
Accrued expenses	7	30
Derivative liabilities	5	125
<b>Total liabilities</b>		<b>155</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>16,007</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2	<b>30.49</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Interest income for distribution purposes		1
Changes in fair value		
Net realized gains (losses) on sale of investments and derivatives		(97)
Net realized gains (losses) on foreign currencies		21
Change in net unrealized appreciation (depreciation) on investments and derivatives		5,440
Change in unrealized gains (losses) on foreign currencies		(162)
<b>Total income (loss)</b>		<b>5,203</b>
<b>Expenses</b>	7	
Management fees		68
Independent review committee fees		1
Audit fees		9
Other operating expenses		104
Fees paid by the Manager		(30)
<b>Total expenses</b>		<b>152</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>5,051</b>
<b>Average number of shares</b>	2	<b>492,782</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>10.25</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		5,051
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	20,111
Redemption of redeemable shares		(9,155)
<b>Total redeemable shares transactions</b>		10,956
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		16,007
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		16,007
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		825,005
Redeemable shares redeemed		(300,005)
<b>Redeemable shares outstanding, end of the period</b>		525,000

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
		\$
<b>Cash flows from (used in) operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	5,051
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		(5,440)
Change in unrealized (gains) losses on foreign currencies		162
Accrued expenses		30
<b>Net cash from (used in) operating activities</b>		(197)
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	20,111
Amounts paid on redemption of redeemable shares		(9,155)
<b>Net cash from (used in) financing activities</b>		10,956
Change in unrealized gains (losses) on foreign currencies		(162)
Net increase (decrease) for the period		10,759
Cash, beginning of the period		-
<b>Cash, end of the period</b>		10,597
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		134
Cash held for collateral		10,463
<b>Cash, end of the period</b>		10,597
<b>Included in cash flows from operating activities</b>		
Interest received		1

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

**Schedule of Investments**  
**As at December 31, 2025**  
(in Canadian dollars)

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Forward Agreements (34.0%)</b>		
<b>Long Forward Agreement (34.8%)</b>		
S&P 500® Forward Agreement	59,459,588	<u>5,564,665</u>
Payment Date October 01, 2027		
<b>Short Forward Agreement (-0.8%)</b>		
S&P 500® Forward Agreement	(11,434,537)	<u>(125,333)</u>
Payment Date October 15, 2027		
<b>Total Investments (34.0%)</b>		<u>5,439,332</u>
<b>Cash Held for Collateral (65.4%)</b>		<u>10,463,328</u>
<b>Cash and Other Net Assets (0.6%)</b>		<u>103,899</u>
<b>Net Assets (100%)</b>		<u>16,006,559</u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaLong (3X) S&P 500® Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times (3X) the daily performance of its underlying benchmark, currently the S&P 500® 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 interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaLong (3X) S&P 500® Daily Leveraged Alternative ETF	SPYU	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)		Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	
Derivative assets	5,564,665	-	5,564,665	(125,333)	5,439,332
Derivative liabilities	(125,333)	-	(125,333)	125,333	-

### Currency Risk (Note 5)

Currency	December 31, 2025	
	Net exposure \$	Net assets attributable to holders of redeemable shares %
U.S. Dollar	16,036,865	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 decreased or increased, respectively, by approximately \$801,843.

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	300%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results \$	Percentage of Net Assets %
S&P 500® Index	4,801,968	30.0

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.

### Credit Risk (Note 5)

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$48,025,051	\$5,564,665	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

**Fair Value of Financial Instruments Table (Note 5)**

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	5,564,665	-	5,564,665
Derivative liabilities	-	(125,333)	-	(125,333)
<b>Total derivative instruments</b>	-	<b>5,439,332</b>	-	<b>5,439,332</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

**Volatility Risk (Note 5)**

One Year Benchmark Performance	300% One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
0.0	0.0	0.0	25.0	50.0	75.0
(40.0)	(120.0)	(78.5)	(82.2)	(89.9)	(96.1)
(20.0)	(60.0)	(48.8)	(57.6)	(75.9)	(90.7)
0.0	0.0	0.0	(17.0)	(52.7)	(81.6)
20.0	60.0	72.7	43.4	(18.0)	(67.9)
40.0	120.0	174.0	127.7	30.5	(48.6)

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	10.7%	32.4%

**Transactions with Related Parties (Note 7)**

Included in accrued expenses is \$30,306 that is payable to the manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$30,184.

**Tax Losses Carried Forward (Note 9)**

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
	\$	\$
Capital Losses	-	-
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# MegaShort (-3X) S&P 500® Daily Leveraged Alternative ETF ("SPYD")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
<b>Assets</b>		\$
Cash and cash equivalents	2	77
Cash held for collateral	2	6,771
Derivative assets	5	96
<b>Total assets</b>		<b>6,944</b>
<b>Liabilities</b>		
Accrued expenses	7	9
Derivative liabilities	5	363
<b>Total liabilities</b>		<b>372</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>6,572</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2	<b>13.14</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Interest income for distribution purposes		1
Changes in fair value		
Net realized gains (losses) on sale of investments and derivatives		(1,508)
Net realized gains (losses) on foreign currencies		(38)
Change in net unrealized appreciation (depreciation) on investments and derivatives		(267)
Change in unrealized gains (losses) on foreign currencies		(99)
<b>Total income (loss)</b>		<b>(1,911)</b>
<b>Expenses</b>	7	
Management fees		23
Audit fees		9
Other operating expenses		62
Fees paid by the Manager		(44)
<b>Total expenses</b>		<b>50</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>(1,961)</b>
<b>Average number of shares</b>	2	<b>280,671</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>(6.99)</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		(1,961)
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	14,846
Redemption of redeemable shares		(6,313)
<b>Total redeemable shares transactions</b>		<b>8,533</b>
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		<b>6,572</b>
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		<b>6,572</b>
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		950,005
Redeemable shares redeemed		(450,005)
<b>Redeemable shares outstanding, end of the period</b>		<b>500,000</b>

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
<b>Cash flows from (used in) operating activities</b>		<b>\$</b>
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(1,961)
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		267
Change in unrealized (gains) losses on foreign currencies		99
Accrued expenses		9
<b>Net cash from (used in) operating activities</b>		<b>(1,586)</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	14,846
Amounts paid on redemption of redeemable shares		(6,313)
<b>Net cash from (used in) financing activities</b>		<b>8,533</b>
Change in unrealized gains (losses) on foreign currencies		(99)
Net increase (decrease) for the period		6,947
Cash, beginning of the period		-
<b>Cash, end of the period</b>		<b>6,848</b>
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		77
Cash held for collateral		6,771
<b>Cash, end of the period</b>		<b>6,848</b>
<b>Included in cash flows from operating activities</b>		
Interest received		1

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

**Schedule of Investments**  
**As at December 31, 2025**  
(in Canadian dollars)

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Forward Agreements (-4.1%)</b>		
<b>Short Forward Agreement (-5.5%)</b>		
S&P 500® Forward Agreement	(20,702,156)	<u>(363,236)</u>
Payment Date October 01, 2027		
<b>Long Forward Agreement (1.4%)</b>		
S&P 500® Forward Agreement	985,817	<u>95,587</u>
Payment Date October 15, 2027		
<b>Total Investments (-4.1%)</b>		<u>(267,649)</u>
<b>Cash Held for Collateral (103.0%)</b>		<u>6,771,364</u>
<b>Cash and Other Net Assets (1.1%)</b>		<u>68,039</u>
<b>Net Assets (100%)</b>		<u>6,571,754</u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaShort (-3X) S&P 500® Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times the inverse (-3X) daily performance of its underlying benchmark, currently the S&P 500® 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 interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaShort (-3X) S&P 500® Daily Leveraged Alternative ETF	SPYD	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)		Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	
Derivative assets	95,587	-	95,587	(95,587)	-
Derivative liabilities	(363,236)	-	(363,236)	95,587	267,649
				Cash Collateral Pledged	

### Currency Risk (Note 5)

Currency	December 31, 2025	
	Net exposure	Net assets attributable to holders of redeemable shares
U.S. Dollar	\$ 6,580,257	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 ETF would have decreased or increased, respectively, by approximately \$329,013.

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	(300)%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results	Percentage of Net Assets
S&P 500® Index	\$ (1,971,526)	(30.0)%

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.

**Credit Risk (Note 5)**

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$(19,716,339)	\$95,587	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

**Fair Value of Financial Instruments Table (Note 5)**

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	95,587	-	95,587
Derivative liabilities	-	(363,236)	-	(363,236)
<b>Total derivative instruments</b>	-	<b>(267,649)</b>	-	<b>(267,649)</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

**Volatility Risk (Note 5)**

One Year Benchmark Performance	(300%) One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
		<b>0.0</b>	<b>25.0</b>	<b>50.0</b>	<b>75.0</b>
(40.0)	120.0	360.0	217.8	4.0	(84.2)
(20.0)	60.0	95.1	34.4	(56.3)	(93.4)
0.0	0.0	0.0	(31.2)	(77.7)	(96.7)
20.0	(60.0)	(42.2)	(60.3)	(87.2)	(98.1)
40.0	(120.0)	(63.7)	(75.1)	(92.0)	(98.8)

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	10.7%	33.5%

**Transactions with Related Parties (Note 7)**

Included in accrued expenses is \$8,503 that is payable to the Manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$44,262.

**Tax Losses Carried Forward (Note 9)**

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
	\$	\$
Capital Losses	-	-
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# MegaLong (3X) US Semiconductors Daily Leveraged Alternative ETF ("SOXU")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
<b>Assets</b>		\$
Cash and cash equivalents	2	63
Cash held for collateral	2	5,494
Derivative assets	5	8,569
<b>Total assets</b>		<b>14,126</b>
<b>Liabilities</b>		
Accrued expenses	7	8
<b>Total liabilities</b>		<b>8</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>14,118</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2, 11	<b>51.34</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Interest income for distribution purposes		1
Changes in fair value		
Net realized gains (losses) on sale of investments and derivatives		6,988
Net realized gains (losses) on foreign currencies		92
Change in net unrealized appreciation (depreciation) on investments and derivatives		8,569
Change in unrealized gains (losses) on foreign currencies		(103)
<b>Total income (loss)</b>		<b>15,547</b>
<b>Expenses</b>	7	
Management fees		113
Independent review committee fees		2
Audit fees		9
Other operating expenses		78
Fees paid by the Manager		-
<b>Total expenses</b>		<b>202</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>15,345</b>
<b>Average number of shares</b>	2	<b>467,005</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>32.86</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		15,345
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	10,398
Redemption of redeemable shares		(11,625)
<b>Total redeemable shares transactions</b>		(1,227)
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		14,118
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		14,118
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		500,005
Redeemable shares redeemed		(225,005)
<b>Redeemable shares outstanding, end of the period</b>		275,000

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
<b>Cash flows from (used in) operating activities</b>		\$
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	15,345
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		(8,569)
Change in unrealized (gains) losses on foreign currencies		103
Accrued expenses		8
<b>Net cash from (used in) operating activities</b>		<b>6,887</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	10,398
Amounts paid on redemption of redeemable shares		(11,625)
<b>Net cash from (used in) financing activities</b>		<b>(1,227)</b>
Change in unrealized gains (losses) on foreign currencies		(103)
Net increase (decrease) for the period		5,660
Cash, beginning of the period		-
<b>Cash, end of the period</b>		<b>5,557</b>
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		63
Cash held for collateral		5,494
<b>Cash, end of the period</b>		<b>5,557</b>
<b>Included in cash flows from operating activities</b>		
Interest received		1

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

**Schedule of Investments**  
**As at December 31, 2025**  
**(in Canadian dollars)**

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Forward Agreements (60.7%)</b>		
<b>Long Forward Agreement (60.7%)</b>		
US Semiconductors Forward Agreement	42,355,279	<u>8,568,894</u>
Payment Date October 01, 2027		
<b>Total Investments (60.7%)</b>		<u>8,568,894</u>
<b>Cash Held for Collateral (38.9%)</b>		<u>5,494,036</u>
<b>Cash and Other Net Assets (0.4%)</b>		<u>54,910</u>
<b>Net Assets (100%)</b>		<u><u>14,117,840</u></u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaLong (3X) US Semiconductors Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times (3X) the daily performance of its underlying benchmark, currently the Solactive US Semiconductor 30 Capped 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 interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaLong (3X) US Semiconductors Daily Leveraged Alternative ETF	SOXU	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)		Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments Cash Collateral Pledged	
Derivative assets	8,568,894	-	8,568,894	-	8,568,894
Derivative liabilities	-	-	-	-	-

### Currency Risk (Note 5)

Currency	December 31, 2025	
	Net exposure \$	Net assets attributable to holders of redeemable shares %
U.S. Dollar	14,126,020	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 decreased or increased, respectively, by approximately \$706,301.

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	300%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results \$	Percentage of Net Assets %
Solactive United States Semiconductors 30 Capped Index	4,235,352	30.0

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.

**Credit Risk (Note 5)**

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$42,355,279	\$8,568,894	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

As at December 31, 2025, the ETF has Daily Target, currently the index of US Semiconductors Index, resulting in the ETF's investment being concentrated in the semi-conductor industry.

**Fair Value of Financial Instruments Table (Note 5)**

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	8,568,894	-	8,568,894
Derivative liabilities	-	-	-	-
<b>Total derivative instruments</b>	-	<b>8,568,894</b>	-	<b>8,568,894</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

**Volatility Risk (Note 5)**

One Year Benchmark Performance	300% One Year Benchmark Performance	Benchmark Volatility		
%	%	%	%	%
0.0	0.0	25.0	50.0	75.0
(40.0)	(120.0)	(78.5)	(82.2)	(89.9)
(20.0)	(60.0)	(48.8)	(57.6)	(75.9)
0.0	0.0	0.0	(17.0)	(52.7)
20.0	60.0	72.7	43.4	(18.0)
40.0	120.0	174.0	127.7	30.5

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	29.2%	85.0%

**Transactions with Related Parties (Note 7)**

Included in accrued expenses is \$8,181 that is payable to the Manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$199.

**Tax Losses Carried Forward (Note 9)**

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
	\$	\$
Capital Losses	-	-
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# MegaShort (-3X) US Semiconductors Daily Leveraged Alternative ETF ("SOXD")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
<b>Assets</b>		\$
Cash and cash equivalents	2	71
Cash held for collateral	2	6,447
Derivative assets	5	362
<b>Total assets</b>		<b>6,880</b>
<b>Liabilities</b>		
Accrued expenses	7	6
<b>Total liabilities</b>		<b>6</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>6,874</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2, 11	<b>5.19</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Changes in fair value		
Net realized gains (losses) on sale of investments and derivatives		(4,618)
Net realized gains (losses) on foreign currencies		(43)
Change in net unrealized appreciation (depreciation) on investments and derivatives		362
Change in unrealized gains (losses) on foreign currencies		(113)
<b>Total income (loss)</b>		<b>(4,412)</b>
<b>Expenses</b>	7	
Management fees		22
Independent review committee fees		-
Audit fees		9
Other operating expenses		52
Fees paid by the Manager		(44)
<b>Total expenses</b>		<b>39</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>(4,451)</b>
<b>Average number of shares</b>	2	<b>407,671</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>(10.92)</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		(4,451)
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	11,325
Redemption of redeemable shares		-
<b>Total redeemable shares transactions</b>		11,325
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		6,874
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		6,874
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		1,325,005
Redeemable shares redeemed		(5)
<b>Redeemable shares outstanding, end of the period</b>		1,325,000

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
		\$
<b>Cash flows from (used in) operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(4,451)
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		(362)
Change in unrealized (gains) losses on foreign currencies		113
Accrued expenses		6
<b>Net cash from (used in) operating activities</b>		<b>(4,694)</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	11,325
<b>Net cash from (used in) financing activities</b>		<b>11,325</b>
Change in unrealized gains (losses) on foreign currencies		(113)
Net increase (decrease) for the period		6,631
Cash, beginning of the period		-
<b>Cash, end of the period</b>		<b>6,518</b>
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		71
Cash held for collateral		6,447
<b>Cash, end of the period</b>		<b>6,518</b>

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

**Schedule of Investments**  
**As at December 31, 2025**  
**(in Canadian dollars)**

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Short Forward Agreement (5.3%)</b>		
US Semiconductors Forward Agreement Payment Date October 15, 2027	(20,621,501)	<u>361,664</u>
<b>Total Investments (5.3%)</b>		<u>361,664</u>
<b>Cash Held for Collateral (93.8%)</b>		<u>6,447,048</u>
<b>Cash and Other Net Assets (0.9%)</b>		<u>64,886</u>
<b>Net Assets (100%)</b>		<u><u>6,873,598</u></u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaShort (-3X) US Semiconductors Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times the inverse (-3X) daily performance of its underlying benchmark, currently the Solactive US Semiconductor 30 Capped 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 interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaShort (-3X) US Semiconductors Daily Leveraged Alternative ETF	SOXD	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)		Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments Cash Collateral Pledged	
Derivative assets	361,664	-	361,664	-	361,664
Derivative liabilities	-	-	-	-	-

### Currency Risk (Note 5)

Currency	December 31, 2025	
	Net exposure \$	Net assets attributable to holders of redeemable shares %
U.S. Dollar	6,879,595	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 decreased or increased, respectively, by approximately \$343,980.

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	(300)%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results \$	Percentage of Net Assets %
Solactive United States Semiconductors 30 Capped Index	(2,062,079)	(30.0)

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.

### Credit Risk (Note 5)

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$(20,621,501)	\$361,664	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

### Concentration Risk (Note 5)

As at December 31, 2025, the ETF has Daily Target, currently the Solactive United States Semiconductors 30 Capped Index, resulting in the ETF's investment being concentrated in the semi-conductor industry.

### Fair Value of Financial Instruments Table (Note 5)

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	361,664	-	361,664
Derivative liabilities	-	-	-	-
<b>Total derivative instruments</b>	<b>-</b>	<b>361,664</b>	<b>-</b>	<b>361,664</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

### Volatility Risk (Note 5)

One Year Benchmark Performance		(300%) One Year Benchmark Performance		Benchmark Volatility			
%	%	%	%	%	%	%	%
		0.0		25.0		50.0	75.0
(40.0)	120.0	360.0		217.8		4.0	(84.2)
(20.0)	60.0	95.1		34.4		(56.3)	(93.4)
0.0	0.0	0.0		(31.2)		(77.7)	(96.7)
20.0	(60.0)	(42.2)		(60.3)		(87.2)	(98.1)
40.0	(120.0)	(63.7)		(75.1)		(92.0)	(98.8)

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	29.2%	85.4%

### Transactions with Related Parties (Note 7)

Included in accrued expenses is \$5,997 that is payable to the Manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$43,862.

### Tax Losses Carried Forward (Note 9)

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
Capital Losses	\$ -	\$ -
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# MegaLong (3X) Canadian Banks Daily Leveraged Alternative ETF ("BNKU")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
<b>Assets</b>		\$
Cash and cash equivalents	2	82
Cash held for collateral	2	4,964
Derivative assets	5	13,341
<b>Total assets</b>		<b>18,387</b>
<b>Liabilities</b>		
Accrued expenses	7	34
Derivative liabilities	5	1,501
<b>Total liabilities</b>		<b>1,535</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>16,852</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2	<b>44.94</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Changes in fair value		
Change in net unrealized appreciation (depreciation) on investments and derivatives		11,840
<b>Total income (loss)</b>		<b>11,840</b>
<b>Expenses</b>	7	
Management fees		150
Independent review committee fees		1
Audit fees		9
Other operating expenses		66
Fees paid by the Manager		-
<b>Total expenses</b>		<b>226</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>11,614</b>
<b>Average number of shares</b>	2	<b>481,169</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>24.14</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		11,614
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	10,000
Redemption of redeemable shares		(4,762)
<b>Total redeemable shares transactions</b>		5,238
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		16,852
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		16,852
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		500,005
Redeemable shares redeemed		(125,005)
<b>Redeemable shares outstanding, end of the period</b>		375,000

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
<b>Cash flows from (used in) operating activities</b>		<b>\$</b>
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	11,614
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		(11,840)
Accrued expenses		34
<b>Net cash from (used in) operating activities</b>		<b>(192)</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	10,000
Amounts paid on redemption of redeemable shares		(4,762)
<b>Net cash from (used in) financing activities</b>		<b>5,238</b>
Net increase (decrease) for the period		5,046
Cash, beginning of the period		-
<b>Cash, end of the period</b>		<b>5,046</b>
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		82
Cash held for collateral		4,964
<b>Cash, end of the period</b>		<b>5,046</b>

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

**Schedule of Investments**  
**As at December 31, 2025**  
**(in Canadian dollars)**

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Forward Agreements (70.3%)</b>		
<b>Long Forward Agreement (79.2%)</b>		
Canadian Banks Forward Agreement Payment Date October 01, 2027	70,788,595	<u>13,341,109</u>
<b>Short Forward Agreement (-8.9%)</b>		
Canadian Banks Forward Agreement Payment Date October 15, 2027	(20,225,314)	<u>(1,501,316)</u>
<b>Total Investments (70.3%)</b>		<u>11,839,793</u>
<b>Cash Held for Collateral (29.5%)</b>		<u>4,964,487</u>
<b>Cash and Other Net Assets (0.2%)</b>		<u>47,869</u>
<b>Net Assets (100%)</b>		<u>16,852,149</u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaLong (3X) Canadian Banks Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times (3X) the daily performance of its underlying benchmark, currently the Solactive Equal Weight Canada Banks Index.

In order to achieve its investment objective, the ETF may invest all or a portion of its portfolio in interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaLong (3X) Canadian Banks Daily Leveraged Alternative ETF	BNKU	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)		Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments Cash Collateral Pledged	
Derivative assets	13,341,109	-	13,341,109	(1,501,316)	11,839,793
Derivative liabilities	(1,501,316)	-	(1,501,316)	1,501,316	-

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	300%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results	Percentage of Net Assets
Solactive Equal Weight Canada Banks Index	\$ 5,055,645	% 30.0

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.

### Credit Risk (Note 5)

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$50,563,281	\$13,341,109	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

### Concentration Risk (Note 5)

As at December 31, 2025, the ETF has Daily Target, currently the Solactive Equal Weight Canada Banks Index, resulting in the ETF's investment being concentrated in the banking industry.

**Fair Value of Financial Instruments Table (Note 5)**

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	13,341,109	-	13,341,109
Derivative liabilities	-	(1,501,316)	-	(1,501,316)
<b>Total derivative instruments</b>	-	<b>11,839,793</b>	-	<b>11,839,793</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

**Volatility Risk (Note 5)**

One Year Benchmark Performance	300% One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
		0.0	25.0	50.0	75.0
(40.0)	(120.0)	(78.5)	(82.2)	(89.9)	(96.1)
(20.0)	(60.0)	(48.8)	(57.6)	(75.9)	(90.7)
0.0	0.0	0.0	(17.0)	(52.7)	(81.6)
20.0	60.0	72.7	43.4	(18.0)	(67.9)
40.0	120.0	174.0	127.7	30.5	(48.6)

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	8.8%	26.2%

**Transactions with Related Parties (Note 7)**

Included in accrued expenses is \$34,312 that is payable to the Manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$21.

**Tax Losses Carried Forward (Note 9)**

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
	\$	\$
Capital Losses	-	-
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# MegaLong (3X) Canadian Gold Miners Daily Leveraged Alternative ETF ("CGMU")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
<b>Assets</b>		\$
Cash and cash equivalents	2	21
Cash held for collateral	2	3
Derivative assets	5	24,201
<b>Total assets</b>		<b>24,225</b>
<b>Liabilities</b>		
Accrued expenses	7	16
Derivative liabilities	5	1,832
<b>Total liabilities</b>		<b>1,848</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>22,377</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2, 11	<b>89.51</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Changes in fair value		
Net realized gains (losses) on sale of investments and derivatives		12,426
Change in net unrealized appreciation (depreciation) on investments and derivatives		22,369
<b>Total income (loss)</b>		<b>34,795</b>
<b>Expenses</b>	7	
Management fees		225
Independent review committee fees		2
Audit fees		9
Other operating expenses		66
Fees paid by the Manager		(1)
<b>Total expenses</b>		<b>301</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>34,494</b>
<b>Average number of shares</b>	2	<b>462,333</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>74.61</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		34,494
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	10,000
Redemption of redeemable shares		(22,117)
<b>Total redeemable shares transactions</b>		(12,117)
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		<b>22,377</b>
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		<b>22,377</b>
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		500,005
Redeemable shares redeemed		(250,005)
<b>Redeemable shares outstanding, end of the period</b>		<b>250,000</b>

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
<b>Cash flows from (used in) operating activities</b>		<b>\$</b>
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	34,494
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		(22,369)
Accrued expenses		16
<b>Net cash from (used in) operating activities</b>		<b>12,141</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	10,000
Amounts paid on redemption of redeemable shares		(22,117)
<b>Net cash from (used in) financing activities</b>		<b>(12,117)</b>
Net increase (decrease) for the period		24
Cash, beginning of the period		-
<b>Cash, end of the period</b>		<b>24</b>
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		21
Cash held for collateral		3
<b>Cash, end of the period</b>		<b>24</b>

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

**Schedule of Investments****As at December 31, 2025****(in Canadian dollars)**

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Forward Agreements (99.9%)</b>		
<b>Long Forward Agreement (108.1%)</b>		
Canadian Gold Miners Forward Agreement Payment Date October 01, 2027	92,653,728	<u>24,201,217</u>
<b>Short Forward Agreement (-8.2%)</b>		
Canadian Gold Miners Forward Agreement Payment Date October 15, 2027	(25,513,343)	<u>(1,831,583)</u>
<b>Total Investments (99.9%)</b>		<u>22,369,634</u>
<b>Cash Held for Collateral (0.0%)</b>		<u>2,646</u>
<b>Cash and Other Net Assets (0.1%)</b>		<u>5,214</u>
<b>Net Assets (100%)</b>		<u>22,377,494</u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaLong (3X) Canadian Gold Miners Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times (3X) the daily performance of its underlying benchmark, currently the Solactive Canadian Gold Miners Index.

In order to achieve its investment objective, the ETF may invest all or a portion of its portfolio in interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaLong (3X) Canadian Gold Miners Daily Leveraged Alternative ETF	CGMU	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
Derivative assets	24,201,217	-	24,201,217	(1,831,583)	-	22,369,634
Derivative liabilities	(1,831,583)	-	(1,831,583)	1,831,583	-	-

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	300%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results	Percentage of Net Assets
Solactive Canadian Gold Miners Index	\$ 6,713,248	% 30.0

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.

### Credit Risk (Note 5)

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$67,140,385	\$24,201,217	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

### Concentration Risk (Note 5)

As at December 31, 2025, the ETF has Daily Target, currently the Solactive Canadian Gold Miners Index, resulting in the ETF's investment being concentrated in the gold mining industry.

**Fair Value of Financial Instruments Table (Note 5)**

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	24,201,217	-	24,201,217
Derivative liabilities	-	(1,831,583)	-	(1,831,583)
<b>Total derivative instruments</b>	-	<b>22,369,634</b>	-	<b>22,369,634</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

**Volatility Risk (Note 5)**

One Year Benchmark Performance	300% One Year Benchmark Performance	Benchmark Volatility		
%	%	%	%	%
0.0	0.0	0.0	25.0	50.0
(40.0)	(120.0)	(78.5)	(82.2)	(89.9)
(20.0)	(60.0)	(48.8)	(57.6)	(75.9)
0.0	0.0	0.0	(17.0)	(52.7)
20.0	60.0	72.7	43.4	(18.0)
40.0	120.0	174.0	127.7	30.5

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	36.7%	110.0%

**Transactions with Related Parties (Note 7)**

Included in accrued expenses is \$16,008 that is payable to the Manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$600.

**Tax Losses Carried Forward (Note 9)**

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
	\$	\$
Capital Losses	-	-
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# MegaShort (-3X) Canadian Gold Miners Daily Leveraged Alternative ETF ("CGMD")

## Financial Statements

### Statement of Financial Position

As at December 31, 2025

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

	Note	2025
<b>Assets</b>		\$
Cash and cash equivalents	2	116
Cash held for collateral	2	9,253
Derivative assets	5	1,495
<b>Total assets</b>		<b>10,864</b>
<b>Liabilities</b>		
Accrued expenses	7	24
Derivative liabilities	5	7
<b>Total liabilities</b>		<b>31</b>
<b>Net assets attributable to holders of redeemable shares</b>	2	<b>10,833</b>
<b>Net assets attributable to holders of redeemable shares per share</b>	2, 11	<b>2.06</b>

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 (Loss)**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

	Note	2025
<b>Income</b>		<b>\$</b>
	2	
Changes in fair value		
Net realized gains (losses) on sale of investments and derivatives		(6,694)
Change in net unrealized appreciation (depreciation) on investments and derivatives		1,488
<b>Total income (loss)</b>		<b>(5,206)</b>
<b>Expenses</b>	7	
Management fees		39
Independent review committee fees		-
Audit fees		9
Other operating expenses		49
Fees paid by the Manager		(37)
<b>Total expenses</b>		<b>60</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>	2	<b>(5,266)</b>
<b>Average number of shares</b>	2	<b>1,003,429</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share from operations</b>	2	<b>(5.25)</b>

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

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
Net assets attributable to holders of redeemable shares, beginning of the period		\$ -
Increase (decrease) in net assets attributable to holders of redeemable shares from operations		(5,266)
<b>Redeemable shares transactions</b>		
Proceeds from redeemable shares issued	6	16,099
Redemption of redeemable shares		-
<b>Total redeemable shares transactions</b>		16,099
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		10,833
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		10,833
<b>Redeemable shares transaction</b>		
Redeemable shares outstanding, beginning of the period		-
Redeemable shares issued		5,250,005
Redeemable shares redeemed		(5)
<b>Redeemable shares outstanding, end of the period</b>		5,250,000

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

**Statement of Cash Flows**

For the Period from May 7, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars)

	Note	2025
<b>Cash flows from (used in) operating activities</b>		<b>\$</b>
Increase (decrease) in net assets attributable to holders of redeemable shares from operations	2	(5,266)
Adjustments for:		
Change in net unrealized (appreciation) depreciation on investments and derivatives		(1,488)
Accrued expenses		24
<b>Net cash from (used in) operating activities</b>		<b>(6,730)</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	16,099
<b>Net cash from (used in) financing activities</b>		<b>16,099</b>
Net increase (decrease) for the period		9,369
Cash, beginning of the period		-
<b>Cash, end of the period</b>		<b>9,369</b>
<b>Total Cash is composed of:</b>		
Cash and cash equivalents		116
Cash held for collateral		9,253
<b>Cash, end of the period</b>		<b>9,369</b>

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

**Schedule of Investments****As at December 31, 2025****(in Canadian dollars)**

	<u>Notional Value</u>	<u>Fair Value</u> \$
<b>Forward Agreements (13.7%)</b>		
<b>Short Forward Agreement (13.8%)</b>		
Canadian Gold Miners Forward Agreement Payment Date October 01, 2027	(32,657,077)	<u>1,494,816</u>
<b>Long Forward Agreement (-0.1%)</b>		
Canadian Gold Miners Forward Agreement Payment Date October 15, 2027	154,773	<u>(7,084)</u>
<b>Total Investments (13.7%)</b>		<u>1,487,732</u>
<b>Cash Held for Collateral (85.4%)</b>		<u>9,252,906</u>
<b>Cash and Other Net Assets (0.9%)</b>		<u>92,481</u>
<b>Net Assets (100%)</b>		<u><u>10,833,119</u></u>

## ETF Specific Notes

### Investment Objective and Strategies

The MegaShort (-3X) Canadian Gold Miners Daily Leveraged Alternative ETF (the "ETF") seeks daily investment results, before fees, expenses, and other transaction costs, that endeavour to correspond to three times the inverse (-3X) daily performance of its underlying benchmark, currently the Solactive Canadian Gold Miners Index.

In order to achieve its investment objective, the ETF may invest all or a portion of its portfolio in interest bearing accounts, T-Bills and/or other 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	Ticker Symbol	Reporting Currency	Commencement of Operations
MegaShort (-3X) Canadian Gold Miners Daily Leveraged Alternative ETF	CGMD	CAD	May 7, 2025

### Offsetting of Financial Instruments Table (Note 2)

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)		Amounts Not Offset (\$)			Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
Derivative assets	1,494,816	-	1,494,816	(7,084)	-	1,487,732
Derivative liabilities	(7,084)	-	(7,084)	7,084	-	-

### 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 3 times its net asset value. If the ETF uses leverage in excess of 3 times its net asset value, it shall generally reduce its leverage to 3 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
December 31, 2025	3.00:1	3.00:1	3.00:1	(300)%

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results	Percentage of Net Assets
Solactive Canadian Gold Miners Index	(3,249,936)	(30.0)

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.

### Credit Risk (Note 5)

The table below shows the notional exposure of the ETF to Derivative Agreements as at December 31, 2025 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 Statement of Financial Position.

As at	Counterparty <sup>(1)</sup>	Notional Exposure	Credit Risk	DBRS Rating	Fitch Rating	Moody's Rating	S&P Rating
December 31, 2025	NBC	\$(32,502,304)	\$1,494,816	AA	AA-	Aa2	A+

<sup>(1)</sup> NBC refers to National Bank of Canada.

### Concentration Risk (Note 5)

As at December 31, 2025, the ETF has Daily Target, currently the Solactive Canadian Gold Miners Index, resulting in the ETF's investment being concentrated in the gold mining industry.

**Fair Value of Financial Instruments Table (Note 5)**

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Derivative assets	-	1,494,816	-	1,494,816
Derivative liabilities	-	(7,084)	-	(7,084)
<b>Total derivative instruments</b>	-	<b>1,487,732</b>	-	<b>1,487,732</b>

During the period ended December 31, 2025, there were no significant transfers of investments between Level 1, Level 2 and Level 3.

**Volatility Risk (Note 5)**

One Year Benchmark Performance	(300%) One Year Benchmark Performance	Benchmark Volatility			
%	%	%	%	%	%
		0.0	25.0	50.0	75.0
(40.0)	120.0	360.0	217.8	4.0	(84.2)
(20.0)	60.0	95.1	34.4	(56.3)	(93.4)
0.0	0.0	0.0	(31.2)	(77.7)	(96.7)
20.0	(60.0)	(42.2)	(60.3)	(87.2)	(98.1)
40.0	(120.0)	(63.7)	(75.1)	(92.0)	(98.8)

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 period ended December 31, 2025, were as follows:

	Index	ETF
December 31, 2025	36.7%	110.0%

**Transactions with Related Parties (Note 7)**

Included in accrued expenses is \$23,761 that is payable to the Manager for Management Fees and Operating Expenses. During the period ended December 31, 2025, the Manager absorbed operating expenses of \$37,383.

**Tax Losses Carried Forward (Note 9)**

(in thousands Canadian dollars)

	December 31, 2025	December 31, 2024
	\$	\$
Capital Losses	-	-
Non-capital Losses	13,904	-
Maximum Due Date	2045	2044

# 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 non-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 Triple Levered ETF (the "ETFs") is a separate Corporate Class which consists of a single series of exchange traded funds (the "Shares") of the applicable Corporate Class.

The 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 ETFs are listed on the Toronto Stock Exchange ("TSX") and ticker symbols, as at December 31, 2025, are as follows:

ETFs name	Ticker symbol	ETFs inception date
MegaLong (3X) NASDAQ-100® Daily Leveraged Alternative ETF	QQQU	May 7, 2025
MegaShort (-3X) NASDAQ-100® Daily Leveraged Alternative ETF	QQQD	May 7, 2025
MegaLong (3X) S&P 500® Daily Leveraged Alternative ETF	SPYU	May 7, 2025
MegaShort (-3X) S&P 500® Daily Leveraged Alternative ETF	SPYD	May 7, 2025
MegaLong (3X) US Semiconductors Daily Leveraged Alternative ETF	SOXU	May 7, 2025
MegaShort (-3X) US Semiconductors Daily Leveraged Alternative ETF	SOXD	May 7, 2025
MegaLong (3X) Canadian Banks Daily Leveraged Alternative ETF	BNKU	May 7, 2025
MegaLong (3X) Canadian Gold Miners Daily Leveraged Alternative ETF	CGMU	May 7, 2025
MegaShort (-3X) Canadian Gold Miners Daily Leveraged Alternative ETF	CGMD	May 7, 2025

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 December 31, 2025.

The Statements of Comprehensive Income (Loss), Statements of Changes in Net Assets Attributable to Holders of Redeemable Shares, Statements of Cash Flows and related notes are presented for the period from commencement of operations (ETFs' inception date) to December 31, 2025.

These financial statements were approved and authorized for issue on March 30, 2026, 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 IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

### 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 a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying'). They could require a nominal amount and are settled at a future date.

In the Statements of Financial Position, financial assets and liabilities at fair value include the following items: "Derivative assets" and "Derivative liabilities".

In the Statements of Comprehensive Income (Loss), 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 and cash equivalents, cash held for collateral, as financial assets at amortized cost.

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.

### 2.1.1.3 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 Statements of Comprehensive Income (Loss), if applicable.

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 and applicable hedging costs related to the Forward Agreements, as described in the "Fees and Expenses" section of the ETFs' 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 Statements of Comprehensive Income (Loss) and are included in the trading expense ratio in the management report of fund performance, if applicable.

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

Interest income for distribution purposes represents coupon interest received by the ETFs, recognized on an accrual basis. The ETFs do not amortize premiums paid or discounts received on the purchase of fixed income securities.

#### Distributions

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

#### Forward agreements

The ETFs have entered into forward agreements (the "Forward Agreements") with a bank counterparty (the "Bank Counterparty") that provide positive exposure that substantially corresponds to the daily performance of their Daily Target (an underlying index or a similar index, as outlined in the ETFs' prospectus) and/or Forward Agreements that provide negative exposure that substantially corresponds to the performance of their Daily Target. The ETFs seek to achieve their investment objective through the net exposure of their respective Forward Agreements. The amount payable by a bank counterparty under the Forward Agreements is based on approximately three times (300%), or approximately three times the inverse (-300%), the daily performance of the applicable Daily Target.

Each Forward Agreement with a Bank Counterparty in which the ETFs are provided with positive exposure to the applicable Daily Target requires the ETFs to pay the Bank Counterparty an agreed notional amount. In return, the Bank Counterparty pays the ETFs the value of the notional investment, plus an amount based upon any return or inverse return in the applicable Daily Target. Each Forward Agreement with a Bank Counterparty in which the ETFs are provided with exposure that corresponds negatively with the applicable Daily Target requires the Bank Counterparty to pay the ETFs an agreed notional amount. In return, the ETFs pay the Counterparty the value of the notional investment, plus an amount based upon any return or inverse return in the applicable Daily Target. The ETFs also invest the net proceeds of share subscriptions in Canadian dollar or U.S. dollar, as applicable, interest bearing accounts and/or T-Bills to earn short-term money-market interest rates. The terms of the Forward Agreements require the ETFs, for any applicable Bank Counterparty, to pledge a corresponding portion of their respective interest bearing account and/or T-Bills to the Bank Counterparty to secure the payment of the ETFs' payment obligation under the Forward Agreements. The ETFs have the ability to replace the Bank Counterparties or engage additional Bank 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 Bank Counterparty, if any, which is calculated and accrued on a daily basis.

The forwards agreements are reported in the Statements of Financial Position under "Derivative assets" and "Derivative liabilities". The changes in the Forwards Agreements' fair value are reported in the Statements of Comprehensive Income (Loss) 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 day.

#### 2.2.3.1 Initial measurement

Upon initial measurement, the ETFs' 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 Statements of Comprehensive Income (Loss) 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 Statements 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 their 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 in the Statements of Comprehensive Income (Loss). 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 Statements of Comprehensive Income (Loss) for the period in which they occur.

#### **2.3 Cash and cash held for collateral**

Cash and cash equivalents includes cash deposits and bank overdrafts, if applicable. Cash held for collateral consists of cash posted as collateral to the derivative agreement. They are included in the Statements of Financial Position, as applicable.

#### **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 *Financial Instruments: Presentation* (IAS 32). Consequently, the ETFs outstanding redeemable shares are classified as financial liabilities in accordance with the requirements of IAS 32.

#### 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 each ETF is 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 ETFs' 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 share

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

#### **2.5 Functional currency and foreign currency translation**

The ETFs' 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 Statements of Financial Position.

Transactions in foreign currency transactions are translated into the ETFs' 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 Statements of Comprehensive Income (Loss) under "Net realized gains (losses) on foreign currencies" and "Change in unrealized gains (losses) on foreign currencies", respectively, except for those arising from financial instruments at fair value through profit or loss, which are recognized as a component within "Net realized gains (losses) on sale of investments and derivatives" and "Change in net unrealized appreciation (depreciation) on investments and derivatives" in the Statements of Comprehensive Income (Loss).

#### **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 their 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 Statements of Comprehensive Income (Loss).

## 2.7 Offsetting financial assets and financial liabilities

Financial instruments are recognized on a net or gross basis in the Statements 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 Statements 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 Statements 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. When applicable, In the ETF Specific Notes, a table presents the financial assets and financial liabilities that are subject to enforceable master netting arrangements or similar agreements.

### NOTE 3: CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

In preparing these financial statements, the Manager has made judgments, 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.

#### 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 ETFs have 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 day, as defined in the ETFs' prospectus ("Valuation Day") 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

IFRS 18 will replace IAS 1 Presentation of Financial Statements and will be 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 Manager is in the process of assessing the impact of the amended and new accounting standards to the financial statements.

### NOTE 5: FINANCIAL INSTRUMENT DISCLOSURES

#### 5.1 Financial risks

In the normal course of business, the ETFs' investment activities expose them to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks for ETFs' performance by employing professional, experienced portfolio advisors, by daily monitoring of the ETFs' positions and market events. An investment in the ETFs 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 the ETFs 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 ETFs' 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 their 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 ratings 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 their 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 ETF from being able to limit its losses, to realize gains or from achieving a high (or inverse, depending on the ETF) correlation with its Daily Target.

The ETFs may, at times, have very large purchase and redemption activity. However, the performance of the ETFs is primarily affected by the performance of their derivative agreements, which are rebalanced daily, and are tied to the Daily Target. The performance and liquidity of the ETFs are unaffected by the asset size of the ETFs, purchases or redemptions as these transactions are taken into account during the daily rebalancing of the derivative agreements.

### **5.4 Market risk**

The ETFs' 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.

The ETFs' returns over periods longer than one day will likely differ in amount and possibly direction from the respective Daily Target. 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 ETFs' reporting currency will fluctuate due to changes in exchange rates and adversely impact the ETFs' income, cash flows or fair values of their investments holdings.

A table quantifying the currency risk is presented, if applicable, in the specific notes for the ETFs 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 their 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 may be concentrated by sector or issuer. 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.

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 Leverage risk**

When the ETFs make investments in derivatives, borrow cash for investment purposes, or use physical short sales on equities, fixed income securities or other portfolio assets, leverage may be introduced into the ETFs. Leverage exists when the ETFs achieve the right to a return on a capital base that exceeds the amount the ETFs have invested. An ETF using leverage creates the potential for greater gains to its shareholders during favourable market conditions and the risk of magnified losses during adverse market conditions. Leverage should increase the volatility of the net asset value of the ETFs. Leverage may involve the creation of a liability that does not entail any interest costs or the creation of a liability that requires the ETFs to pay interest, which will decrease the ETFs' total return to their shareholders. If an ETF achieves its investment objective, during adverse market conditions, shareholders of that ETF may experience a loss greater than they would have incurred had that ETF not been leveraged. Using leverage involves special risks and should be considered to be speculative. Each ETF employs absolute leverage that will generally not exceed 3.0 times the net asset value of that ETF and that leverage is rebalanced daily in order to ensure each shareholder's risk is limited to the capital invested.

A table quantifying the leverage risk is presented in the specific notes for the ETFs.

## 5.7 Volatility risk

The ETFs are subject to increased volatility as they seek to achieve the multiple or inverse multiple of the daily performance of the applicable Daily Target. The ETFs may therefore experience greater volatility than securities comprising their Daily Target and thus have the potential for greater losses. While the investment objectives of the Triple Levered ETFs are designed to correspond to a multiple or inverse multiple of the daily performance of the applicable Daily Target, it should be noted that, when comparing benchmark returns of an ETF over any period other than daily, the volatility of the applicable Daily Target is a significant factor as a result of the rebalancing process.

A table quantifying the volatility risk is presented in the specific notes for the ETFs.

## 5.8 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 day.
- 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.

### 5.8.1 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 Day. 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. There is no minimum number of Shares of the ETFs that may be issued. Each Share of the ETFs represents an equal, undivided interest in that ETFs' assets. Each Share of the ETFs entitles the owner to one vote at meetings of shareholders of the Corporate Class to which they are entitled to vote. Each shareholder is entitled to participate equally with all other shares of the same Corporate Class or series of Corporate Class with respect to all payments made to shareholders, including dividends and distributions and, on liquidation, to participate equally in the net assets of the applicable Corporate Class remaining after satisfaction of any outstanding liabilities that are attributable to shares of the Corporate Class.

### 6.1 Redemption of shares in any number for cash

On any Trading Day, shareholders may redeem: (i) shares of an 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 an 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 an 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 ETF 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. On an exchange, the Manager may, at its discretion, require the shareholder to pay or reimburse the applicable ETF for the trading expenses incurred or expected to be incurred by the ETF in connection with the sale by such ETF 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 December 31, 2025, are presented after the Statements of Changes in "Net Assets Attributable to Holders of Redeemable Shares" of the ETFs.

## NOTE 7: EXPENSES AND 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 manager, the promoter and the portfolio manager 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 1.55% based on the net asset value of the Shares of the ETFs. The management fee, plus applicable taxes, will be accrued daily and paid monthly in arrears. 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.

At its discretion, the Manager may choose to waive a portion of the management fee for an ETF resulting in a reduction of the management fee charged to that ETF. In the event a portion of a management fee is waived, the Manager reserves the right to discontinue such waiver at any time without notice or consent of the shareholders.

The management fee for QQQU, QQQD, SPYU and SPYD is reduced by a management rebate of 0.90% to 0.65% from June 17, 2025 to December 31, 2025. The management fee for SOXU and SOXD is reduced by the same management rebate, from August 12, 2025 to December 31, 2025. The Manager may extend this reduction beyond December 31, 2025.

Additionally, the Manager may at its discretion agree to charge a reduced fee as compared to the fee it otherwise would be entitled to receive from that ETF with respect to investments in that ETF by shareholders that hold, on average during any period specified by the Manager from time to time (currently a quarter), shares of that ETF having a minimum specified aggregate value as determined by the Manager from time to time. An amount equal to the difference between the fee otherwise chargeable and the reduced fee of that ETF will be rebated quarterly in cash by that ETF to those shareholders of that ETF as management fee rebates.

#### 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 ETFs are 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.

#### NOTE 9: TAX LOSSES CARRIED FORWARD

Where the Company has realized a net capital loss in a taxation year, such capital loss cannot be allocated to shareholders but the Company may carry such capital loss back three years or forward indefinitely to offset capital gains realized by the Company. Non-capital losses incurred by the Company in a taxation year cannot be allocated to shareholders of the Company, but may be carried back three years or carried forward twenty years to offset income (including taxable capital gains).

A tax losses carried forward table is presented in the specific notes for the ETF with tax losses carried forward.

#### NOTE 10: FEES PAID TO THE AUDITOR

The fees paid or payable to KPMG LLP for audit services for the ETFs managed by LongPoint Asset Management Inc. for the year ended December 31, 2025 were \$402,930.

#### NOTE 11: SUBSEQUENT EVENTS

Effective at the close of business on January 23, 2026, the shares of the ETFs below were split based on the ratios set out below:

ETFs name	Ticker symbol	Split ratio
MegaLong (3X) Canadian Gold Miners Daily Leveraged Alternative ETF	CGMU	6:1
MegaLong (3X) US Semiconductors Daily Leveraged Alternative ETF	SOXU	4:1

At the same time, the shares of the ETFs below were consolidated based on the ratios set out below:

ETFs name	Ticker symbol	Split ratio
MegaShort (-3X) Canadian Gold Miners Daily Leveraged Alternative ETF	CGMD	1:10
MegaShort (-3X) US Semiconductors Daily Leveraged Alternative ETF	SOXD	1:4

All relevant historical share and per-share amounts prior to January 23, 2026, have been adjusted accordingly to reflect the share splits and the share consolidations.



**LONGPOINT**  
ETFs