

# Annual Financial Statements

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For the period ended December 31, 2025

## Manager's Responsibility for Financial Reporting

The accompanying audited annual financial statements of Return Stacked® Global Balanced & Macro 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

# Return Stacked<sup>®</sup> Global Balanced & Macro ETF ("RGBM")

## 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>		\$
Investments	5	15,544
Cash and cash equivalents	2	16,284
Margin deposited on futures contracts	2	979
Interest receivable	2	68
Derivative asset	5	633
<b>Total assets</b>		<b>33,508</b>
<b>Liabilities</b>		
Unrealized depreciation on foreign exchange contracts	5	29
Accrued expenses	7	35
Derivative liabilities	5	1,172
<b>Total liabilities</b>		<b>1,236</b>
<b>Net assets</b>		<b>32,272</b>
<b>Net assets attributable to holders of redeemable shares per series - CAD Series</b>	2	<b>28,618</b>
<b>Net assets attributable to holders of redeemable shares per series - USD Series</b>	2	<b>3,654</b>
		<b>32,272</b>
<b>Net assets attributable to holders of redeemable shares per share, per series - CAD Series</b>	2	<b>24.67</b>
<b>Net assets attributable to holders of redeemable shares per share, per series - USD Series</b>	2	<b>30.45</b>
<b>Net assets attributable to holders of redeemable shares per share, per series - USD Series (in USD)</b>	2	<b>22.18</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 January 14, 2025 (commencement of operations) to December 31, 2025

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

	Note	2025
<b>Income</b>	2	\$
Interest income for distribution purposes		380
Dividend income		243
Changes in fair value		
Net realized gains (losses) on sale of investments		23
Net realized gains (losses) on futures derivatives		(369)
Net realized gains (losses) on foreign currencies		(111)
Net realized gains (losses) on foreign exchange contracts		19
Change in net unrealized appreciation (depreciation) on investments		1,823
Change in net unrealized appreciation (depreciation) on futures derivatives		(539)
Change in unrealized gains (losses) on foreign currencies		(56)
Change in unrealized gains (losses) on foreign exchange contracts		(29)
<b>Total income (loss)</b>		<b>1,384</b>
<b>Expenses</b>	7	
Management fees		235
Performance fees		13
Independent review committee fees		6
Audit fees		9
Other operating expenses		103
Fees paid by the Manager		(61)
Withholding taxes	2	36
Transaction costs		179
<b>Total expenses</b>		<b>520</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations</b>		<b>864</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations - CAD Series</b>	2	<b>643</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares from operations - USD Series</b>	2	<b>221</b>
		<b>864</b>
<b>Average number of shares - CAD Series</b>	2	<b>1,047,285</b>
<b>Average number of shares - USD Series</b>	2	<b>99,476</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share, per series from operations - CAD Series</b>	2	<b>0.61</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share, per series from operations - USD Series</b>	2	<b>2.21</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares per share, per series from operations - USD Series (in USD)</b>	2	<b>1.58</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 January 14, 2025 (commencement of operations) to December 31, 2025  
(in thousands of Canadian dollars, except per share amounts)

		CAD Series	
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		643	
<b>Redeemable shares transactions</b>			
Proceeds from redeemable shares issued	6	30,578	
Redemption of redeemable shares		(2,603)	
<b>Total redeemable shares transactions</b>		27,975	
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		28,618	
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		28,618	
<b>Redeemable shares transaction</b>			
Redeemable shares outstanding, beginning of the period		-	
Redeemable shares issued		1,270,004	
Redeemable shares redeemed		(110,004)	
<b>Redeemable shares outstanding, end of the period</b>		1,160,000	
		USD Series	
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		221	
<b>Redeemable shares transactions</b>			
Proceeds from redeemable shares issued	6	3,433	
<b>Total redeemable shares transactions</b>		3,433	
<b>Net increase (decrease) in net assets attributable to holders of redeemable shares</b>		3,654	
<b>Net assets attributable to holders of redeemable shares, end of the period</b>		3,654	
<b>Redeemable share transactions</b>			
Redeemable shares outstanding, beginning of the period		-	
Redeemable shares issued		120,000	
<b>Redeemable shares outstanding, end of the period</b>		120,000	

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

**Statement of Cash Flows**

For the Period from January 14, 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	864
Adjustments for:		
Net realized (gains) losses on sale of investments		(23)
Change in net unrealized (appreciation) depreciation on investments		(1,823)
Change in unrealized (gains) losses on foreign currencies		56
Change in unrealized (gains) losses on foreign exchange contracts		29
Change in net unrealized (appreciation) depreciation on futures derivatives		539
Purchases of investments		(14,014)
Proceeds from sale and maturity of investments		316
Margin deposited on futures contracts		(979)
Accrued expenses		35
Interest receivables		(68)
<b>Net cash from (used in) operating activities</b>		<b>(15,068)</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuances of redeemable shares	2	34,011
Amounts paid on redemption of redeemable shares		(2,603)
<b>Net cash from (used in) financing activities</b>		<b>31,408</b>
Change in unrealized gains (losses) on foreign currencies		(56)
Net increase (decrease) for the period		16,340
Cash, beginning of the period		-
<b>Cash, end of the period</b>		<b>16,284</b>
<b>Included in cash flows from operating activities</b>		
Interest received		312
Dividends received, net of withholding taxes		207

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

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

	Number of units	Average Cost \$	Fair Value \$
<b>Exchange Traded Funds (48.2%)</b>			
Vanguard Total World Stock ETF	80,285	13,719,889	15,544,132
<b>Total Investments (48.2%)</b>		<u>13,719,889</u>	<u>15,544,132</u>
<b>Cash and Cash Equivalents (50.5%)</b>			<u>16,283,761</u>
<b>Unrealized Depreciation on Foreign Exchange Contracts (-0.1%)</b>			<u>(28,859)</u>
<b>Unrealized Appreciation (Depreciation) on Futures Derivatives (-1.7%)</b>			<u>(539,255)</u>
<b>Margin Deposited on Futures Contracts (3.0%)</b>			<u>979,338</u>
<b>Other Net Assets (0.1%)</b>			<u>32,742</u>
<b>Net Assets (100%)</b>			<u><u>32,271,859</u></u>

**Foreign Exchange Contracts**

**Unrealized Depreciation on Foreign Exchange Contracts Attributed to USD Series**

Settlement Date	Contract Rates	Currency to be Delivered			Currency to be Received			Unrealized Depreciation (CAD)
		Currency	Par Value	Canadian Value as December 31, 2025	Currency	Par Value	Canadian Value as December 31, 2025	
January 7, 2026	0.7177	CAD	1,892,237	1,892,237	USD	1,358,000	1,863,378	(28,859)
<b>Unrealized Depreciation on Foreign Exchange Contracts Attributed to USD Series</b>								<u>(28,859)</u>

## Schedule of Investments

As at December 31, 2025

(in Canadian dollars)

### Futures Contracts

	Position	Number of Futures	Maturity Date	Unitary Cost	Current Value (1) CAD	Fair Value Positive (Negative) CAD	
<b>Index Futures (25.9%)</b>							
<b>Asia (1.1%)</b>							
TOPIX STK Index	Long	6	March 2026	3409.583 JPY	1,794,638	(2,758)	
SPI 200 Index	Short	7	March 2026	8747.143 AUD	(1,390,719)	17,886	
HANG SENG Index	Long	10	January 2026	25823.200 HKD	2,261,629	(10,133)	
					<u>2,665,548</u>	<u>4,995</u>	
<b>Canada (-1.2%)</b>							
Montreal Stock Exchange	Long	2	March 2026	1875.200 CAD	744,760	(5,320)	
<b>Europe (13.6%)</b>							
FTSE 100 Index	Long	1	March 2026	9 784.000 GBP	183,921	1,893	
CAC40 Index	Long	15	January 2026	8116.580 EUR	1,972,886	(8,945)	
S&P/MB Index	Long	18	March 2026	44430.111 EUR	6,540,428	37,370	
IBEX 35 Index	Long	7	January 2026	17019.857 EUR	1,951,053	12,214	
DJ EUROSTOX50 Index	Long	25	March 2026	5751.240 EUR	2,355,414	14,871	
DAX Index	Long	1	March 2026	24520.000 EUR	995,637	2,603	
					<u>13,999,339</u>	<u>60,006</u>	
<b>United States (12.4%)</b>							
Index Russel 2000 Mini	Short	10	March 2026	2565.440 USD	(1,714,315)	50,820	
Index NASDAQ 100 E-MINI	Short	1	March 2026	25692.000 USD	(698,813)	4,307	
NIKKEI 225 Index	Short	2	March 2026	50677.500 USD	(694,167)	(715)	
					<u>(3,107,295)</u>	<u>54,412</u>	
					<u>14,302,352</u>	<u>114,093</u>	
<b>Currency Futures (35.0%)</b>							
<b>Currency to be Received</b>				<b>Currency To be Delivered</b>			
Japanese Yen	American Dollar	Short	103	March 2026	64.647 USD	(11,342,504)	162,116
Euro	American Dollar	Long	53	March 2026	1.174 USD	10,711,723	(50,997)
Swiss Franc	American Dollar	Short	6	March 2026	127.700 USD	(475,012)	908
Canadian Dollar	American Dollar	Long	40	March 2026	73.292 USD	4,014,434	5,361
Australian Dollar	American Dollar	Long	136	March 2026	66.558 USD	12,456,276	12,692
British Pound	American Dollar	Long	84	March 2026	133.786 USD	9,697,683	9,142
New Zealand Dollar	American Dollar	Short	36	March 2026	57.874 USD	(7,848,756)	15,024
					<u>17,213,844</u>	<u>154,246</u>	
<b>Interest Rate Futures (-160.6%)</b>							
<b>Asia (-106.1%)</b>							
Japan 10 year Bond	Long	16	March 2026	133.311 JPY	18,563,787	(467,115)	
<b>Canada (-48.3%)</b>							
10yr Canada Bond Index	Long	178	March 2026	122.107 CAD	21,521,980	(212,990)	
<b>Europe (-1.3%)</b>							
Long Gilt	Short	10	March 2026	91.116 GBP	(1,690,463)	2,325	
Euro-BOBL	Long	28	March 2026	116.087 EUR	5,246,318	(25,036)	
EURO-BUXL 30Y BND	Short	18	March 2026	110.169 EUR	(3,197,265)	14,913	
Euro-Bund	Short	4	March 2026	127.177 EUR	(823,092)	2,165	
					<u>(464,502)</u>	<u>(5,633)</u>	
<b>United States (-4.9%)</b>							
US Long Bond	Short	1	March 2026	115.812 USD	(158,658)	(184)	
US 10-year Treasury Note	Long	10	March 2026	112.602 USD	1,543,261	2,463	
5yr United States Notes Index	Long	54	March 2026	109.433 USD	8,101,413	(23,998)	
					<u>9,486,016</u>	<u>(21,719)</u>	
					<u>49,107,281</u>	<u>(707,457)</u>	
<b>Commodities Futures (-22.8%)</b>							
Soybean Meal	Short	5	May 2026	307.400 USD	(208,628)	1,689	
Soybean Meal	Short	23	March 2026	303.435 USD	(945,165)	9,816	
Low Sulphur Gasoil	Long	10	February 2026	620.150 USD	850,981	2,391	
Mill Wheat Euro	Long	263	March 2026	189.799 EUR	4,024,830	(17,688)	
Corn	Long	70	March 2026	445.943 USD	2,114,928	(49,983)	
Corn	Long	17	May 2026	453.221 USD	522,959	(11,420)	
Cotton No. 2	Short	35	March 2026	64.601 USD	(1,543,741)	36,890	
Natural Gas	Short	22	January 2026	3.649 USD	(1,113,028)	(10,877)	
Cotton No. 2	Short	14	May 2026	66.098 USD	(630,275)	18,321	
Soybean Oil	Short	19	May 2026	49.302 USD	(768,145)	5,921	
Soybean Oil	Short	46	March 2026	48.867 USD	(1,839,642)	17,867	
Cocoa	Short	3	March 2026	6027.333 USD	(249,735)	(1,915)	
Crude Oil Brent	Long	12	January 2026	62.023 USD	1,002,236	(15,813)	
Copper	Short	4	March 2026	541.400 USD	(779,883)	(30,337)	
Copper	Short	1	May 2026	354.441 USD	(196,892)	(8,570)	

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

Heating Oil	Long	7	January 2026	215,478 USD	856,107	(11,417)
Coffee	Long	10	March 2026	360,926 USD	1,795,083	(66,756)
Coffee	Long	2	May 2026	354,441 USD	343,163	(25,038)
Hard Red Winter Wheat	Short	21	May 2026	542,774 USD	(760,942)	33,669
Platinum	Short	2	April 2026	2150,450 USD	(280,577)	14,065
Soybean	Short	7	March 2026	1068,464 USD	(503,211)	8,715
Soybean	Short	1	May 2026	1078,500 USD	(72,814)	894
Sugar	Short	36	February 2026	15,158 USD	(830,725)	5,658
Silver	Long	3	March 2026	74,568 USD	1,453,592	(76,755)
Wheat	Short	17	March 2026	516,382 USD	(591,500)	10,290
Wheat	Short	4	May 2026	528,125 USD	(142,333)	2,320
Gasoline RBOB	Long	19	January 2026	174,774 USD	1,878,472	(37,440)
Hard Red Winter Wheat	Short	86	March 2026	521,360 USD	(3,038,036)	95,366
					<u>347,079</u>	<u>(100,137)</u>
<b>Total Unrealized Appreciation (Depreciation) on Futures Derivatives (-122.5%)</b>					<u>80,970,556</u>	<u>(539,255)</u>
<b>Margin Deposited on Futures Contracts (222.5%)</b>						<u>979,338</u>
<b>Total Margin Deposits and Unrealized Appreciation (Depreciation) on Futures Derivatives (100%)</b>						<u>440,083</u>

(1) Current value represents the portfolio's exposure to particular market fluctuations resulting from investments in futures.

## ETF Specific Notes

### Investment Objective and Strategies

The Return Stacked® Global Balanced & Macro ETF (the "ETF") seeks long-term capital appreciation by investing, directly or indirectly, in a global balanced strategy consisting of global equity securities and fixed income securities, and using leverage and derivative instruments, to stack on the returns of a systematic macro strategy that provides exposure to major global asset classes including but not limited to equity indices, volatility indices, fixed income indices, interest rates, commodities and currencies.

For every dollar invested, the ETF seeks to provide \$1 of exposure to its Global Balanced Allocation strategy plus \$1 of exposure to its Systematic Macro strategy. The Global Balanced Allocation strategy seeks to provide exposure to target a mix of approximately 50% global equities and 50% Canadian bonds. The Systematic Macro strategy invests long and short across equities, bonds, currencies and commodities using a variety of quantitative investment signals.

The ETF's strategy aims to achieve capital appreciation over the long-term with low expected average correlation to the Balanced Allocation Strategy, as well as some inflation hedging benefit based on its ability to go both long and short global futures markets.

The ETF's global equity portfolio will be constructed to reflect the overall global equity markets on a market capitalization weighted basis. To do so, the ETF will primarily invest in global equity ETFs (which are ETFs exposed to the equity securities of companies located throughout the world), other broad-based ETFs that provide exposure to global equity markets, individual equity securities, and equity index futures contracts.

For the Canadian Government bond component of the Balance Allocation Strategy, the ETF seeks to capture the total return of the Government of Canada fixed income market with a target duration of five to ten years and an objective of long-term capital appreciation.

The ETF uses leverage and derivative instruments to stack the returns of a global balanced strategy with those of a systematic macro strategy. The ETF has obtained exemptive relief to manage to a limit of a 20 trading day 20% absolute Value at Risk (VaR) with a 99% confidence level. Shares of the ETF trade on the Toronto Stock Exchange ("TSX") in Canadian dollars ("Cdn\$ Shares") and U.S. dollars ("US\$ Shares") under the symbols RGBM and RGBM.U, respectively. RGBM.U will hedge any Canadian dollar exposure back to the U.S. dollar.

The ETF will hold a portion of its assets in cash, money market mutual funds, treasury securities, or other cash equivalents, some or all of which will serve as margin or collateral for the ETF's investments.

Please refer to the ETF's most recent prospectus for a complete description of the ETF's investment restrictions.

### General Information

ETF Name	Ticker Symbol	Commencement of Operations
Return Stacked® Global Balanced & Macro ETF (CAD Shares)	RGBM	January 14, 2025
Return Stacked® Global Balanced & Macro ETF (USD Shares)	RGBM.U	April 28, 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	
Unrealized appreciation on foreign exchange contracts	-	-	-	-	-
Unrealized depreciation on foreign exchange contracts	(28,859)	-	(28,859)	(28,859)	-

### Structured Entities (Note 2)

As at December 31, 2025	Carrying Amounts (\$)	Carrying amount as a % of the underlying fund's Net Assets
<b>Securities</b>		
Vanguard Total World Stock ETF	15,144,132	0.02
<b>Total</b>	<b>15,144,132</b>	

### Currency Risk (Note 5)

Currency	December 31, 2025	
	Net exposure	Net assets attributable to holders of redeemable shares
	\$	%
U.S. Dollar	17,558,692	54.4
Euro	167,104	0.5
Pound Sterling	36,394	0.1
Australian Dollar	18,125	0.1
Hong Kong Dollar	(15,008)	0.0
Japanese Yen	(127,143)	(0.4)

The ETF holds units in mutual funds and/or exchange traded funds. The value of these investments may be indirectly exposed to this risk.

Numbers shown are based on the notional value of the futures derivatives and the exposure from foreign exchange contracts held by the ETF.

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 \$881,908.

### Currency Risk of the Hedged Shares (Note 5)

The net assets attributable to USD Series will hedge any Canadian dollar exposure back to the U.S. dollar. The following table reflects the impact of this hedge on the net assets attributable to the USD Series.

Currency	December 31, 2025			
	Net Assets of the Hedged Shares	Forward currency contracts	Net exposure	Percentage of Net Assets of the Hedged Shares
Canadian Dollar	\$ 1,871,217	\$ (1,892,237)	\$ (21,020)	% (0.1)

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 asset and results of the USD Series of the ETF would have increased or decreased by approximately \$1,051.

### Leverage Risk (Note 5)

When the ETF makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities, fixed income securities or other portfolio assets, leverage may be introduced into the ETF. Leverage occurs when the ETF's exposure to underlying assets is greater than the ETF's net asset value. It is an investment technique that can magnify gains and losses. Leverage could cause ETF to lose more money in market environments adverse to its investment objective than an exchange traded fund that does not employ leverage. Using leverage involves special risks and should be considered to be speculative. Leverage may increase volatility, may impair the ETF's liquidity and may cause the ETF to liquidate positions at unfavorable times.

The ETF is considered an "alternative mutual fund" under securities law. Accordingly, it has the ability to invest in asset classes and employ investment strategies that are not permitted for conventional mutual funds, such as leveraging through cash borrowings, short sales, and/or derivatives beyond the limits prescribed for conventional mutual funds. Leverage may be created through the use of cash borrowings, short sales, and/or derivatives. An alternative mutual fund's aggregate exposure to these sources of leverage may be up to 300% of its net asset value (NAV). However, the Fund has applied for exemptive relief from the Canadian securities regulatory authorities to permit its aggregate exposure to these sources of leverage to exceed 300% of its NAV, provided certain conditions are met.

During the period ended December 31, 2025, the ETF's minimum and maximum 20-day absolute VaR was 4.98% and 11.99%, respectively.

### Price Risk (Note 5)

The ETF's Benchmark Composition	December 31, 2025	
	Impact on Net Assets and Results	Percentage of Net Assets
Index Solactive 10-Year Canadian Government Bond (50%)	\$	%
Index Solactive Global Equity Index NTR (50%)	3,875,850	12.0

The impact is presented in the event that the benchmark's performance would increase or decrease by 10%, with all variables held constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material. This impact is presented on an 11-month historical correlation between the ETF's fluctuating performance and the reference index.

### Credit Risk (Note 5)

Debt securities by Long Credit Rating	Percentage of Net Asset as at	
	December 31, 2025	
Investment Grade - AAA		112.8
Investment Grade - A		57.5
		170.3

  

Debt securities by Short Credit Rating	Percentage of Net Asset as at	
	December 31, 2025	
Investment Grade - AAA		(12.9)
Investment Grade - AA		(5.2)
		(18.1)

Numbers shown are based on the credit ratings assigned to the underlying instruments of the interest rate futures held by the ETF. If applicable, the counterparties to futures and OTC had a rating of at least A-1 or A.

The ETF holds units in mutual funds and/or exchange traded funds. The value of these investments may be indirectly exposed to this risk.

Credit ratings are obtained from identified rating companies.

### Interest Rate Risk (Note 5)

Debt Securities by Maturity Date – Long Positions	December 31, 2025	
	\$	
From 5 years to 10 years		13,347,731
More than 10 years		41,629,028
		54,976,759

  

Debt Securities by Maturity Date – Short Positions	December 31, 2025	
	\$	
More than 10 years		(5,869,478)
		(5,869,478)

The ETF is exposed to interest rate risk through the underlying instruments of the interest rate futures held by the ETF.

The ETF holds units in mutual funds and/or exchange traded funds. The value of these investments may be indirectly exposed to this risk.

Based on the assumption that prevailing interest rates would vary of 0.25%, with all other variables held constant, net assets and results of the ETF would have varied by approximately \$993,106.

**Concentration Risk (Note 5)**

Sector Allocation	Percentage of Net Asset as at	
	December 31, 2025	
Net Exposure on Derivatives		%
Information Technology		250.9
Financials		12.4
Industrials		8.4
Consumer Discretionary		5.6
Health Care		5.0
Communication Services		4.3
Consumer Staples		4.0
Materials		2.4
Energy		2.0
Utilities		1.6
Real Estate		1.3
Cash, Money Market and/or Other Net Assets		1.2
		(199.1)

The ETF holds units in mutual funds and/or exchange traded funds. The value of these investments may be indirectly exposed to this risk and have been included in the table above.

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

December 31, 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Exchange traded funds	15,544,132	-	-	15,544,132
Derivative assets	632,945	-	-	632,945
Derivative liabilities	(1,172,200)	(28,859)	-	(1,201,059)
<b>Total derivative instruments</b>	<b>15,004,877</b>	<b>(28,859)</b>	<b>-</b>	<b>14,976,018</b>

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

**Brokerage Commissions and Soft Dollars (Note 7)**

(in thousands Canadian dollars)

Period Ended	Brokerage Commissions Paid	Soft Dollar Transactions	Amount Paid to Related Parties
	\$	\$	\$
December 31, 2025	179	-	-

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

Included in accrued expenses is \$34,763 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 \$60,703.

**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. The Return Stacked Global Balanced & Macro ETF ("the ETF") is a separate Corporate Class that is currently offered in two series, (i) ETF shares ("CAD Shares"); and (ii) ETF USD shares ("USD Shares" and together with the CAD Shares, the "Shares"). The ETF is an open-ended alternative mutual fund under applicable securities legislation. The Manager may offer other exchange traded funds under separate prospectuses.

LongPoint Asset Management Inc. (the "Manager") acts as the investment fund manager of the ETF. The portfolio manager of the ETF is ReSolve Asset Management Inc. ("ReSolve"), and the portfolio sub-advisor is ReSolve Asset Management SEZC (Cayman) ("ReSolve Global"). The Manager, together with ReSolve, ReSolve Global and Newfound Research LLC, act as promoters of the ETF.

Natcan Trust Company is the custodian and the valuation agent.

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

The ETF is listed on the Toronto Stock Exchange ("TSX") and was established on the date, under the ticker symbol set out below:

ETF name	Series name	Ticker symbol	ETF inception date
Return Stacked® Global Balanced & Macro ETF	CAD Shares	RGBM	January 14, 2025
Return Stacked® Global Balanced & Macro ETF	USD Shares	RGBM.U	April 28, 2025

More in-depth information on the primary activities is presented in the "Notes to Financial Statements – ETF Specific Notes" section regarding the ETF.

The Statement of Financial Position and related notes of the ETF are presented as of December 31, 2025.

The Statement of Comprehensive Income (Loss), Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares, Statement of Cash Flows and related notes are presented for the period from January 14, 2025 (commencement of operations) 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 ETF classifies its 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 ETF are measured on a fair value basis according to the investment strategy defined in its 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 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 Statement of Financial Position, financial assets and liabilities at fair value include the following items: "Investments", "Derivative assets", "Derivative liabilities", "Unrealized appreciation on foreign exchange contracts", and "Unrealized depreciation on foreign exchange contracts".

In the Statement of Comprehensive Income (Loss), gains (losses) from these financial instruments are included in the following items: "Net realized gains (losses) on sale of investments", "Net realized gains (losses) on foreign exchange contracts", "Net realized gains (losses) on futures derivatives", "Change in net unrealized appreciation (depreciation) on investments", "Change in net unrealized appreciation (depreciation) on futures derivatives" and "Change in unrealized gains (losses) on foreign exchange contracts".

##### 2.2.1.2 Financial assets at amortized cost

The ETF has included cash and cash equivalents, margin deposited on futures contracts and interest receivable 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.

### 2.2.1.3 Financial liabilities at amortized cost

This category includes all financial liabilities, except those classified at fair value through profit or loss. The ETF has 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 ETF are recognized as "Transaction costs" in the Statement of Comprehensive Income (Loss).

Realized gains and losses arising from investment transactions and unrealized appreciation or depreciation on investments 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 ETF, recognized on an accrual basis. The ETF does 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.

#### Interest income for distributions purposes

The interest income for distribution purposes presented in the Statement of Comprehensive Income (Loss) is the coupon interest received, recognized on an accrual basis. Interest income receivable is shown separately in the Statement of Financial Position based on the debt instruments' stated rates of interest.

#### Dividend income

Dividend income and distribution income received from investment trusts (which includes underlying funds) are recognized on the ex-dividend date and ex-distribution date, respectively. Income from foreign sources is presented before deduction of taxes withheld at source deducted by foreign countries.

#### Foreign exchange contracts

The ETF may enter into forward foreign exchange contracts to gain exposure to international currency markets or to reduce foreign exchange risk within the portfolio. Realized gains or losses on these contracts are recorded under "Net realized gains (losses) on foreign exchange contracts" and the changes in such forward contracts' fair value are reported in "Change in unrealized gains (losses) on foreign exchange contracts" in the Statement of Comprehensive Income. The fair value of foreign exchange contracts is measured as the difference between the fair value of the contract on the Valuation Day (the "Valuation Day" being a day upon which a session of the TSX is held) and the fair value on the contract's inception date. All gains and losses relating to the foreign exchange contracts are allocated to the USD Shares. The fair value of foreign exchange contracts is reported under "Unrealized appreciation on foreign exchange contracts" and "Unrealized depreciation on foreign exchange contracts" in the Statement of Financial Position.

#### Futures contracts

Futures contracts are valued at the current market value thereof on the Valuation Day. The value of these futures contracts is the gain or loss that would be realized if, on the Valuation Day, the positions were to be closed out and recorded as "Derivative assets" and/or "Derivative liabilities" in the Statement of Financial Position and as "Change in net unrealized appreciation (depreciation) on futures derivatives" in the Statement of Comprehensive Income (Loss). When the futures contracts are closed out or mature, realized gains or losses on futures contracts are recognized and are included in the Statement of Comprehensive Income (Loss) as "Net realized gains (losses) on futures 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 ETF's financial instruments are measured at fair value, plus transaction costs for financial instruments measured at amortized cost.

#### 2.2.3.2 Subsequent measurement

Financial assets and liabilities at fair value are measured at fair value with changes in fair value recognized in the Statement of Comprehensive Income (Loss) as "Change in net unrealized appreciation (depreciation) on investments", "Change in net unrealized appreciation (depreciation) on futures derivatives", and "Change in unrealized gains (losses) on foreign exchange contracts". Refer to Note 5 – Financial instruments disclosures for the valuation methods used.

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

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

### 2.2.4 Derecognition

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

The cost of investments represents the amount paid for each security and is determined on an average cost basis, and excludes commissions and other portfolio transaction costs, which are separately reported on the Statement of Comprehensive Income (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" in the Statement of Comprehensive Income (Loss) for the period in which they occur. Realized gains or losses on futures contracts are recognized and are included in the Statement of Comprehensive Income (Loss) as "Net realized gains (losses) on futures derivatives", and those associate with foreign exchange contracts are recorded in the Statement of Comprehensive Income (Loss) as "Net realized gains (losses) on foreign exchange contracts".

### **2.3 Cash and cash equivalents**

Cash and cash equivalents includes cash deposits and bank overdrafts, if applicable, and investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value, which are investments qualifying as cash equivalent. Margin deposit consists of cash posted as collateral to the derivative agreement, they are included in the Statement of Financial Position.

### **2.4 Redeemable shares**

The outstanding redeemable shares of the ETF 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 ETF 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 ETF, in accordance with National Instrument 81-106 respecting Investment Fund Continuous Disclosure, the net asset value ("NAV") per Share of the ETF is calculated in Canadian dollars at the Valuation Time (4:00 p.m. EST on a Valuation Day, or any other such time as determined by the primary exchange on which the holdings are listed) on each Valuation Day, unless the TSX or the principal exchange for the ETF's holdings closes earlier, in which case the NAV may be determined at an earlier time. For the USD Series, the NAV per Share is also published in U.S. dollars using exchange rates from recognized sources such as Canadian chartered banks, Bloomberg, or Reuters. The NAV is determined by subtracting liabilities (excluding shareholders' equity classified as a liability under IFRS) from the total value of cash, securities, and other assets, and dividing the result by the number of outstanding Shares. The NAV is rounded to the nearest cent and remains in effect until the next valuation.

The ETF issues 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 ETF 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 ETF in connection with the buying or selling of shares on the TSX or another exchange or marketplace. Shareholders may exchange a minimum of a prescribed number of shares (and any additional multiple thereof) for cash or, with the consent of the Manager, securities and cash. Refer to the "Redemption of Shares" section in the ETF's prospectus for more information.

Net assets attributable to holders of redeemable shares refer 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, per series from operations" presented in the Statement of Comprehensive Income (Loss) represents the increase (decrease) in net assets attributable to holders of redeemable shares, per series, for the period, divided by the average number of shares outstanding for that series during the period.

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

The ETF's purchases and redemptions are denominated in Canadian dollars for the CAD Series and in U.S. dollars for the USD Series. The functional and presentation currency of the ETF is Canadian dollars. For both series, the fair value of investments, derivatives, and other assets and liabilities denominated in foreign currencies is translated into the functional currency at the exchange rate in effect as at the date of the Statement of Financial Position.

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

### **2.6 Taxes**

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

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

## 2.7 Investments in structured entities

A structured entity is designed in such a way that voting rights or similar rights are not the determining factor in who controls the entity; this is particularly the case when the voting rights concern only administrative tasks and the relevant activities are directed by a contractual agreement.

The ETF may invest in mutual funds, limited partnerships and/or exchange traded funds managed by the Manager or by other fund managers. The ETF considers all its investments in mutual funds, limited partnerships and/or exchange-traded funds (the "underlying funds") as investments in unconsolidated structured entities, because decisions made by the underlying funds are not dependent on the voting rights or similar rights held by the ETF. The ETF does not provide and has not committed to providing any other support to these unconsolidated structured entities. The objectives of the underlying funds, whose investment strategy excludes borrowing, enable the ETF to achieve its main objectives. The underlying funds finance its operations by issuing securities that are redeemable at the option of the holder, entitling the holder to receive a proportionate share in the net assets of the underlying funds. The ETF holds redeemable securities of the underlying funds.

Therefore, the ETF accounts for its investments in unconsolidated structured entities at fair value. The change in fair value of these investments is presented in the Statement of Comprehensive Income (Loss) under "Change in net unrealized appreciation (depreciation) on investments".

If applicable, the fund specific notes for the ETF present the fair value exposure of investments in structured entities.

## 2.8 Offsetting financial assets and financial liabilities

Financial instruments are recognized on a net or gross basis in the Statement of Financial Position based on the intention or legal obligation to offset opposite positions on instruments held with the same counterparties. Amounts offset in the Statement of Financial Position arise from transactions where the ETF has a legally enforceable right to offset and intends to settle the positions on a net basis. Amounts not offset in the Statement of Financial Position arise from transactions where a master netting arrangement is in place with a right to offset only in the event of default, insolvency or bankruptcy, or where the ETF has 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 ETF has access on 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 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 ETF's investment activities expose it to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks for ETF's performance by employing professional, experienced portfolio advisors, by daily monitoring of the ETF's positions and market events. An investment in the ETF can be speculative and can involve a high degree of risk and may only be suitable for people who are able to assume the risk of losing their entire investment.

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

### 5.2 Credit risk

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

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

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

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

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

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

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

### **5.3 Liquidity risk**

Liquidity risk refers to the possibility that the ETF may encounter difficulty in meeting its financial obligations. In certain circumstances, such as the disruption of the orderly markets for equity securities and/or other financial instruments in which the ETF invests, the ETF 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 the ETF may also be illiquid, which may prevent the ETF from being able to limit its losses or to realize gains.

### **5.4 Market risk**

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

#### 5.4.1 Currency risk

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

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

#### 5.4.2 Interest rate risk

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

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, if applicable, for the ETF 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 exposure to this risk is managed through diversification of the ETF's investments in accordance with its investment policy. Compliance with this policy enables the ETF to manage concentration risk related to exposure to a single issuer or a group of issuers with common characteristics.

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

### **5.6 Leverage risk**

When the ETF makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities, fixed income securities or other portfolio assets, leverage may be introduced into the ETF. Leverage occurs when the ETF's exposure to underlying assets is greater than the ETF's net asset value. It is an investment technique that can magnify gains and losses. Leverage could cause the ETF to lose more money in market environments adverse to its investment objective than an exchange traded fund that does not employ leverage. Using leverage involves special risks and should be considered to be speculative.

Leverage may increase volatility, may impair the ETF's liquidity and may cause the ETF to liquidate positions at unfavourable times. In accordance with applicable securities legislation, the ETF is subject to a gross aggregate exposure limit of 300% of its net asset value which is calculated by adding together the market value of its short positions, the value of any outstanding cash borrowing and the aggregate notional value of its specified derivatives positions that are not entered into for hedging purposes. This leverage calculation must be determined on a daily basis. However, and notwithstanding such permitted legislative limits, the ETF has obtained the VaR Relief to allow leverage that is no more than 20% of the absolute VaR of the ETF rather than complying with the requirements of NI 81-102.

## 5.7 Fair value measurement

The ETF measures 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 ETF 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 ETF 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 ETF with Level 3 financial instruments, as applicable, are presented in the specific notes for the ETF.

### 5.7.1 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 Statement 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 there are any, are included in the Schedule of Investments as margin deposits.

## NOTE 6: REDEEMABLE SECURITIES

The ETF is authorized to issue an unlimited number of redeemable and assignable shares. There is no minimum number of Shares of the ETF that may be issued. Each Share of the ETF represents an equal, undivided interest in that ETF's assets. Each Share of the ETF 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) ETF Shares for a cash amount at a redemption price per Share equal to 95% of the closing trading price of the ETF Shares on the TSX on the effective date of the redemption, subject to a maximum redemption price per Share equal to the net asset value per Share on the effective date of the redemption; or (ii) a Prescribed Number of Shares (a "PNS") or a multiple thereof for a cash amount equal to the net asset value of that number of ETF Shares as of the time the redemption request is received, provided that such redemption request may be subject to a redemption fee at the discretion of the Manager. Since shareholders will generally be able to sell (rather than redeem) ETF Shares at the applicable market price on the TSX through a registered broker, subject only to customary brokerage commissions, unless they are redeeming a Prescribed Number of Shares, shareholders should consult their brokers or investment advisors before redeeming Shares for cash.

To be effective on a given trading day when the primary exchange or principal market for the securities or financial instruments to which the 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 the ETF at its head office no later than the redemption or exchange cut-off time, or such other time as may be designated by the Manager on that day. If a redemption request is not received and accepted by the redemption cut-off time on a trading day, the redemption will be effective on the next trading day, unless it is cancelled. Payment of the redemption price will generally be made on the first Valuation Day following the effective date of redemption. Redemption request forms may be obtained from any registered broker. On days when the primary exchange or principal market for the securities or financial instruments to which the ETF is exposed closes earlier than usual, the designated broker and dealers will be notified of the shortened cut-off time for ETF subscription orders.

Shareholders who submit a redemption request prior to the applicable record date for a given 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 time cut-off 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 ETF 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 ETF 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 ETF. The remaining portion of the exchange or redemption price will be proceeds of disposition.

### **6.4 Shares**

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

### **NOTE 7: EXPENSES AND TRANSACTIONS WITH RELATED PARTIES**

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

#### **7.1 Manager**

LongPoint Asset Management Inc. is the investment fund manager and promoter of the ETF. Accordingly, is entitled to receive, in exchange for the services that it provides to the ETF, management fees paid to it by the ETF (see "Management Fees" below).

From time to time, the Manager may, on behalf of the ETF, enter into transactions or agreements involving certain related parties, provided that, in the Manager's opinion, such transactions or agreements are in the best interests of the ETF. The description of the transactions or agreements between the ETF 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 ETF.

#### **7.3 Management fees**

The ETF will pay the Manager an annual management fee equal to 0.85% of the net asset value of its Shares, plus applicable sales taxes. The management fee is calculated and accrued daily and is payable monthly in arrears.

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

At its discretion, the Manager may choose to waive a portion of the Management Fee for the ETF resulting in a reduction of the management fee charged to the 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.

Additionally, the Manager may at its discretion, agree to charge a reduced fee as compared to the fee it would otherwise be entitled to receive from the ETF with respect to large investments in the ETF by shareholders. Such a reduction will be dependent upon a number of factors, including the amount invested, the total assets of the ETF under administration and the expected amount of account activity. In such cases, an amount equal to the difference between the fee otherwise chargeable and the reduced fee will be distributed to the applicable shareholders as management fee rebates.

#### **7.4 Performance fee**

Each series of the ETF shall also pay the Manager a performance fee. The ETF performance fee shall be calculated and accrued daily and is crystallized quarterly. The ETF performance fee shall be payable at least quarterly in arrears on dates determined by the Manager, plus applicable Sales Tax.

For the CAD Shares, the ETF performance fee, if any, is equal to 10% of the amount by which the performance of the CAD Shares, at any date on which the ETF performance fee is payable, i) exceeds the greater of: (a) the initial net asset value per CAD Share; or (b) the highest net asset value per CAD Share previously utilized for the purposes of calculating the ETF performance fee that was paid (a "RGBM High Water Mark") and (ii) is greater than the return of the daily benchmark of 50% Solactive Global Equity Index (in CAD terms) and 50% Solactive 10-Year Canadian Government Bond Index (a "Performance Benchmark").

For the USD Share, the ETF performance fee, if any, is equal to 10% of the amount by which the performance of the USD Shares, at any date on which the ETF performance fee is payable, i) exceeds the greater of: (a) the initial net asset value per USD Share; or (b) the highest net asset value per USD Share previously utilized for the purposes of calculating the ETF performance fee that was paid (also a "RGBM High Water Mark") and (ii) is greater than the return of the daily benchmark of 50% Solactive Global Equity Index (in USD terms) and 50% Solactive 10-Year Canadian Government Bond USD Hedged Index (also a "Performance Benchmark").

## 7.5 Operating expenses

Unless otherwise waived or reimbursed by the Manager, the ETF pays all of its operating expenses, including but not limited to: management fees, audit fees, custodial service fees, valuation, accounting and recordkeeping costs, legal fees, authorized costs related to the preparation and filing of prospectuses, shareholder communication and meeting costs, listing fees and related annual charges, index licensing fees (if applicable), CDS fees, banking fees and interest charges, extraordinary expenses, costs related to the preparation and delivery of shareholder reports and service-related expenses, registrar and transfer agent fees, Independent Review Committee costs, corporate operating expenses, income taxes, sales taxes, commissions and brokerage fees, withholding taxes, and fees payable to service providers in connection with regulatory and tax compliance in foreign jurisdictions, proxy-related costs, and costs associated with compliance with any new governmental or regulatory requirements adopted after the creation of the ETF.

### **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.

