

HUM

HAMILTON U.S.
MID-CAP
FINANCIALS ETF

Hamilton U.S. Mid-Cap Financials ETF

(formerly Hamilton U.S. Mid/Small-Cap Financials ETF)

(HUM:TSX)



HAMILTON ETFs



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MANAGEMENT REPORT OF FUND PERFORMANCE

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

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance, or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements.

Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the ETF may invest and the risks detailed from time to time in the ETF’s prospectus. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors. We caution that the foregoing list of factors is not exhaustive, and that when relying on forward-looking statements to make decisions with respect to investing in the ETF, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the Manager does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

Management Discussion of Fund Performance

Investment Objective and Strategy

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

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

The ETF’s portfolio is anticipated to be comprised primarily, but not exclusively, of mid-cap companies and to a lesser extent, small-cap companies based in the United States, (i.e. those companies with market capitalizations below US\$25 billion). However, the ETF’s investments may also be selected from any subsector, country, or capitalization level of the global financial services sector, and the portfolio adviser adjusts the portfolio composition to best balance the risks and opportunities it sees across the sector. By subsector, the portfolio holdings may include, but is not limited to, commercial and investment banks, insurance companies, brokerages, asset managers, exchanges, financial technology companies, real estate investment trusts and other investment companies.



Management Discussion of Fund Performance (continued)

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

Risk

Investments in the units of the ETF can be speculative, involve a degree of risk and are suitable only for persons who are able to assume the risk of losing their entire investment. The risks of investing are disclosed in the ETF's prospectus and there have been no significant changes during the year/period that affected the overall level of risk associated with the ETF. **Prospective investors should read the ETF's prospectus and consider the full description of the risks contained therein before purchasing units.** The prospectus is available at www.hamiltonetfs.com or from www.sedarplus.ca, or by contacting Hamilton Capital Partners Inc. directly via the contact information on the back page of this document.

Results of Operations

For the six-month period ended June 30, 2024, Class E units of the ETF returned 6.26%, when including distributions paid to unitholders. By comparison, the Russell 2000 Index Financials (the "Index"), which is comprised of over 300 companies in the small-cap, market-cap weighted Russell 2000 Index that are classified as members of the financial sector, returned 0.39% during the period in Canadian dollar terms on a total return basis.

U.S. Market/Financial Services Sector Review

During the first half of 2024 ("1H 2024"), U.S. inflation continued its downward trend, with core inflation (U.S. Consumer Price Index excluding food and energy) dropping to 3.4% in June from 3.9% in December 2023, and a peak of 6.6% in September 2022. Throughout 1H 2024, the Federal Reserve (the "Fed") maintained the Federal funds rate at 5.5%. During 1H 2024, expectations for Fed rate cuts declined from between six to seven 25 basis point ("bps") cuts in 2024 at the beginning of the year to only one to two at the end of the period. This change is a reflection of both the persistent inflation and the strength of the economy, which has not appeared to be significantly restrained by high interest rates. In fact, despite interest rates materially exceeding inflation, the U.S. economy is, at mid-year, forecast to grow at a healthy 2.4% in 2024 and unemployment forecast to remain low at 3.9%. The combination has supported a rally in the U.S. market, with the S&P 500 up over 15% in the first half.

With the healthy U.S. economy and markets continuing to rise, the large-cap financial sector performed well in 1H 2024, led by banks and insurers, while diversified financials lagged. There was however a marked dichotomy within the sector, as mid-cap financials were only up modestly, hurt by a decline in banks year-to-date, which continue to try to win back investor favour following idiosyncratic issues and general concerns on exposures to commercial real estate. Additionally, the 'higher for longer' interest rate policy has delayed the expected benefits to banks from improving net interest margins and reduced credit risk for bank loans.

Portfolio Review

The ETF's portfolio is primarily comprised of U.S.-based mid-cap, and to a lesser extent, small-cap financial services companies (i.e., those having a market capitalization below US\$25 billion). With an emphasis on selecting companies that represent attractive investment opportunities, the ETF's portfolio favours financials with superior earnings growth profiles (often operating in higher growth U.S. states/regions), favourable regulatory trends and/or involvement in mergers and acquisitions ("M&A"). At the end of the period, the ETF's portfolio was 100% represented by U.S. financial services companies and greater than 80% by small and mid-cap companies.



Management Discussion of Fund Performance (continued)

The ETF's mix within the sub-sectors was relatively consistent throughout the period, with approximately 40-50% of net asset value ("NAV") invested in deposit-taking institutions (i.e., banks), 20-30% in insurance, and 25-35% in financial services (including asset and wealth management, exchanges, broker-dealers, diversified financial services, business development companies and/or real estate investment trusts, "REITs"). The Manager considers REITs a sub-sector of the financials.

The ETF's year-to-date performance was not as strong as the mid cap financials index (S&P 400 Financials), but stronger than the small cap Index (Russell 2000 Financials). The positions that most positively impacted performance in the first half of 2024 were three insurers – Ryan Specialty Holdings Inc, Arch Capital Group, and Hartford Financial Services. The positive outliers were large positions at the beginning of the year which enjoyed the positive undercurrents of their respective subsectors. In the case of Ryan Specialty Holdings Inc., it also benefitted from its addition to the S&P MidCap 400 Index at the end of June.

In contrast, the biggest detractors to the ETF's performance were two banks, Live Oak Bancshares and Webster Financial, and a payment processor, Wex Inc. With banks having been materially the worst performing subsector, the aforementioned banks, where the ETF had above average positions, were among the largest drags to its performance along with the one payment processor, with payments having fared particularly poorly in early 2024.

The Manager may, at its discretion, hedge some or all of the ETF's non-Canadian dollar currency exposure. The ETF's U.S. dollar exposure was partially hedged during the first half of 2024 with the amount hedged increasing as the Canadian dollar weakened. At June 30, 2024, the ETF's U.S. dollar exposure was approximately 80% hedged. Overall, currency hedging was a negative contributor to the ETF's return for the period.

Outlook

The Manager believes that while the changes in monetary policy are likely to continue slowing the economy, banks are much better prepared for this than in historical cycles, owing to increased earnings capacity resulting from rates that have risen from very low levels, increased capital levels required post the Global Financial Crisis and healthy credit loss reserves. Valuations are approaching long term averages for many subsectors, but the economy continues to surprise to the positive, increasing the potential for better than anticipated earnings growth. Additionally, the recent increases in bank regulation are likely, over time, to result in an increased focus on creating efficiency through economies of scale, with the result being heightened mergers and acquisition activity. This would be a marked positive for mid-cap banks and brokers alike.

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

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

For the six-month period ended June 30, 2024, the ETF generated net investment income from investments and derivatives (which includes changes in the fair value of the ETF's portfolio) of \$1,704,395. This compares to (\$3,763,478) for the period ended June 30, 2023. The ETF incurred management, operating and transaction expenses of \$244,584 (2023 – \$277,368) of which \$86,916 (2023 – \$76,261) was either paid or absorbed by the Manager on behalf of the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, without notice, or continued indefinitely, at the discretion of the Manager.

The ETF distributed \$166,186 to unitholders during the period (2023 – \$196,111).



Management Discussion of Fund Performance (continued)

Presentation

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

Recent Developments

Other than indicated below, there are no recent industry, management or ETF-related developments that are pertinent to the present and future of the ETF.

Removal of U.S. Dollar Units

On March 27, 2024, the Manager announced that the ETF will no longer be offered for sale in U.S. dollars (“US\$ Units”). The US\$ Units, which previously traded on the TSX under the symbol, HUM.U, were not a separate class of units of the ETF, but rather represented the U.S. dollar value of the CDN\$ Class E Units (which trade under the ticker symbol, HUM) at the current day’s Canada/U.S. exchange rate. HUM.U was removed at the close on April 1, 2024.

Name Change

On March 27, 2024, the Manager announced a name change to Hamilton U.S. Mid-Cap Financials ETF for effective date, April 2, 2024.

Taxable Capital Gains Inclusion Rate Change

For capital gains or losses realized on or after June 25, 2024, Tax Amendments to the Tax Act, increase the capital gains inclusion rate from one-half to two-thirds of any capital gain realized for a trust.

Related Party Transactions

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

Manager, Trustee and Portfolio Adviser

The manager, trustee and portfolio adviser of the ETF is Hamilton Capital Partners Inc., 70 York Street, Suite 1520, Toronto, Ontario, M5J 1S9, a corporation incorporated under the laws of the Province of Ontario.

Any management fees paid to the Manager (described in detail on page 9) are related party transactions, as the Manager is considered to be a related party to the ETF. Fees paid to the Independent Review Committee are also considered to be related party transactions. Both the management fees and fees paid to the Independent Review Committee are disclosed in the statements of comprehensive income in the attached financial statements of the ETF. The management fees payable by the ETF as at June 30, 2024, and December 31, 2023, are disclosed in the statements of financial position.

Financial Highlights

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

The ETF's Net Assets per Unit

Period ⁽¹⁾	2024	2023	2022	2021	2020
Net assets per unit, beginning of period	\$ 27.52	24.46	28.35	20.56	16.00
Increase (decrease) from operations:					
Total revenue	0.32	0.61	0.53	0.54	0.25
Total expenses	(0.18)	(0.33)	(0.31)	(0.31)	(0.13)
Realized gains (losses) for the period	3.49	3.66	1.29	1.22	0.67
Unrealized gains (losses) for the period	(1.87)	(3.18)	(4.96)	6.54	3.86
Total increase (decrease) from operations ⁽²⁾	1.76	0.76	(3.45)	7.99	4.65
Distributions:					
From net investment income (excluding dividends)	(0.20)	(0.36)	(0.24)	(0.23)	(0.10)
From net realized capital gains	–	–	(0.63)	(0.13)	–
From return of capital	–	(0.04)	–	(0.26)	(0.04)
Total distributions ⁽³⁾	(0.20)	(0.40)	(0.87)	(0.62)	(0.14)
Net assets per unit, end of period ⁽⁴⁾	\$ 29.04	27.52	24.46	28.35	20.56

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



Financial Highlights (continued)

Ratios and Supplemental Data

Period ⁽¹⁾	2024	2023	2022	2021	2020
Net asset value (000's)	\$ 23,769	28,020	42,631	57,187	34,794
Number of units outstanding (000's)	818	1,018	1,743	2,017	1,692
Management expense ratio ⁽²⁾	0.91%	0.91%	0.91%	0.90%	0.90%
Management expense ratio before waivers and absorptions ⁽³⁾	1.60%	1.33%	1.11%	1.08%	1.13%
Trading expense ratio ⁽⁴⁾	0.09%	0.11%	0.02%	0.04%	0.09%
Portfolio turnover rate ⁽⁵⁾	27.22%	56.31%	12.23%	25.74%	37.40%
Net asset value per unit, end of period	\$ 29.04	27.52	24.46	28.35	20.56
Closing market price	\$ 29.01	27.54	24.42	28.36	20.57

1. This information is provided as at June 30, 2024 and December 31 of the other year/period shown.
2. Management expense ratio is based on total expenses, including sales tax, (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the year/period. Out of its management fees, and waivers and absorptions, as applicable, the Manager pays for such services to the ETF as portfolio manager compensation, service fees and marketing.
3. The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, without notice, or continued indefinitely, at its discretion.
4. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year/period.
5. The ETF's portfolio turnover rate indicates how actively its portfolio investments are traded. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the year. Generally, the higher the portfolio turnover rate in a year, the greater the trading costs payable by the ETF in the year, and the greater the chance of an investor receiving taxable capital gains in the year/period. There is not necessarily a relationship between a high turnover rate and the performance of the ETF.



Financial Highlights (continued)

Management Fees

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

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

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

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

Portfolio management fees, general administrative costs, marketing, and profit	Waived/absorbed expenses of the ETF
17%	83%

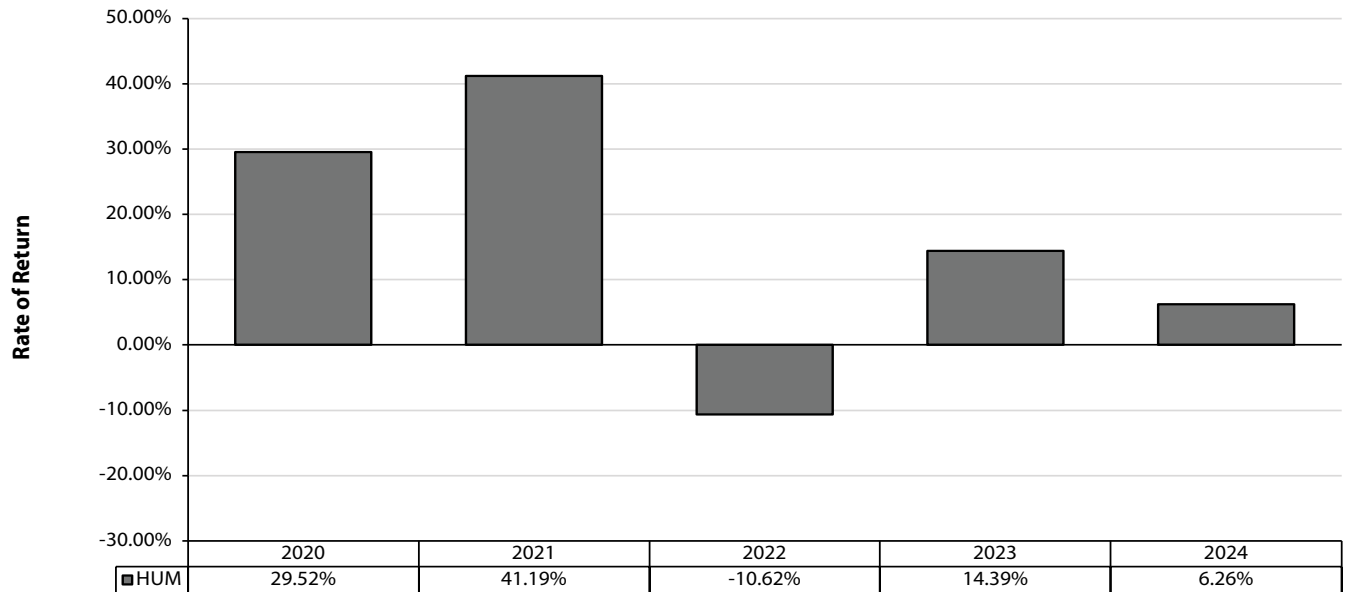


Past Performance

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

Year-by-Year Returns

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



The ETF effectively began operations on June 26, 2020.



Summary of Investment Portfolio

As at June 30, 2024

Asset Mix	Net Asset Value	% of ETF's Net Asset Value
U.S. Equities	\$ 21,632,083	91.01%
Global Equities	2,212,067	9.31%
Currency Forward Hedge*	(55,575)	-0.23%
Cash and Cash Equivalents	48,365	0.20%
Other Assets less Liabilities	(68,138)	-0.29%
	\$ 23,768,802	100.00%

Sector Mix	Net Asset Value	% of ETF's Net Asset Value
Financials	\$ 23,662,398	99.56%
Information Technology	181,752	0.76%
Currency Forward Hedge*	(55,575)	-0.23%
Cash and Cash Equivalents	48,365	0.20%
Other Assets less Liabilities	(68,138)	-0.29%
	\$ 23,768,802	100.00%

* Positions in forward contracts are disclosed as the gain/(loss) that would be realized if the contracts were closed out on the date of this report.

**Summary of Investment Portfolio** (continued)

As at June 30, 2024

Top 25 Holdings	% of ETF's Net Asset Value
Popular Inc.	3.35%
LPL Financial Holdings Inc.	3.17%
East West Bancorp Inc.	3.15%
Hancock Whitney Corp.	3.06%
Ryan Specialty Group Holdings Inc.	3.02%
Western Alliance Bancorp	2.78%
Nasdaq Inc.	2.68%
South State Corp.	2.67%
Arch Capital Group Ltd.	2.54%
Cadence Bank	2.39%
Prosperity Bancshares Inc.	2.25%
Hartford Financial Services Group Inc. (The)	2.11%
Synovus Financial Corp.	2.08%
Webster Financial Corp.	2.06%
Cboe Global Markets Inc.	2.00%
Live Oak Bancshares Inc.	1.98%
Essent Group Ltd.	1.89%
Raymond James Financial Inc.	1.89%
Pinnacle Financial Partners Inc.	1.87%
Corpay Inc.	1.87%
Citizens Financial Group Inc.	1.87%
MGIC Investment Corp.	1.80%
Ally Financial Inc.	1.74%
Blue Owl Capital Inc.	1.74%
TPG Inc.	1.73%

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



MANAGER'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

Robert Wessel
Director
Hamilton Capital Partners Inc.

Jennifer Mersereau
Director
Hamilton Capital Partners Inc.

NOTICE TO UNITHOLDERS

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

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

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



Statements of Financial Position (unaudited)

As at June 30, 2024, and December 31, 2023

	2024	2023
Assets		
Cash and cash equivalents	\$ 48,365	\$ 573,947
Investments (note 6)	23,844,150	27,890,755
Amounts receivable relating to accrued income	32,737	37,765
Derivative assets (note 3)	–	132,705
Total assets	23,925,252	28,635,172
Liabilities		
Accrued management fees (note 9)	15,980	18,633
Accrued operating expenses	3,047	1,431
Amounts payable for portfolio assets purchased	–	493,361
Distribution payable	81,848	101,828
Derivative liabilities (note 3)	55,575	–
Total liabilities	156,450	615,253
Net assets (note 2)	\$ 23,768,802	\$ 28,019,919
Number of redeemable units outstanding (note 8)	818,477	1,018,282
Net assets per unit	\$ 29.04	\$ 27.52

(See accompanying notes to financial statements)

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

Robert Wessel
Director

Jennifer Mersereau
Director

**Statements of Comprehensive Income** (unaudited)

For the Periods Ended June 30, 2024 and 2023

	2024	2023
Income		
Dividend income	\$ 278,800	\$ 371,999
Interest income for distribution purposes	1,995	–
Securities lending income (note 7)	157	6
Net realized gain (loss) on sale of investments and derivatives	3,063,727	2,751,239
Net realized gain (loss) on foreign exchange	2,728	5,135
Net change in unrealized appreciation (depreciation) of investments and derivatives	(1,644,159)	(6,891,573)
Net change in unrealized appreciation (depreciation) of foreign exchange	1,147	(284)
	1,704,395	(3,763,478)
Expenses (note 9)		
Management fees	104,177	128,829
Audit fees	19,155	20,950
Independent Review Committee fees	189	2,369
Custodial and fund valuation fees	23,736	27,114
Legal fees	11,978	–
Securityholder reporting costs	19,205	14,303
Administration fees	21,004	21,407
Transaction costs	10,624	18,266
Withholding taxes	34,516	44,130
	244,584	277,368
Amounts that were payable by the investment fund that were paid or absorbed by the Manager	(86,916)	(76,261)
	157,668	201,107
Increase (decrease) in net assets for the period	\$ 1,546,727	\$ (3,964,585)
Increase (decrease) in net assets per unit	\$ 1.76	\$ (3.10)

(See accompanying notes to financial statements)



Statements of Changes in Financial Position (unaudited)

For the Periods Ended June 30, 2024 and 2023

	2024		2023	
Net assets at the beginning of the period	\$	28,019,919	\$	42,631,133
Increase (decrease) in net assets		1,546,727		(3,964,585)
Redeemable unit transactions				
Issue Costs				
Proceeds from the issuance of units of the ETF		2,138,625		1,247,060
Aggregate amounts paid on redemption of units of the ETF		(7,775,842)		(18,561,474)
Securities issued on reinvestment of distributions		5,559		13,363
Distributions:				
From net investment income		(166,186)		(196,111)
Net assets at the end of the period	\$	23,768,802	\$	21,169,386

(See accompanying notes to financial statements)

Statements of Cash Flows (unaudited)

For the Periods Ended June 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Increase (decrease) in net assets for the period	\$ 1,546,727	\$ (3,964,585)
Adjustments for:		
Net realized (gain) loss on sale of investments and derivatives	(3,063,727)	(2,751,239)
Net realized gain (loss) on currency forward contracts	(453,182)	285,079
Net change in unrealized (appreciation) depreciation of investments and derivatives	1,644,159	6,891,573
Net change in unrealized (appreciation) depreciation of foreign exchange	35	–
Purchase of investments	(5,279,457)	(5,185,363)
Proceeds from the sale of investments	6,733,780	19,916,810
Amounts receivable relating to accrued income	5,028	8,487
Accrued expenses	(1,037)	(19,196)
Net cash from (used in) operating activities	1,132,326	15,181,566
Cash flows from financing activities:		
Amount received from the issuance of units	1,535	1,247,060
Amount paid on redemptions of units	(1,478,801)	(15,274,922)
Distributions paid to unitholders	(180,607)	(1,088,349)
Net cash from (used in) financing activities	(1,657,873)	(15,116,211)
Net increase (decrease) in cash and cash equivalents during the period	(525,547)	65,355
Effect of exchange rate fluctuations on cash and cash equivalents	(35)	–
Cash and cash equivalents at beginning of period	573,947	37,393
Cash and cash equivalents at end of period	\$ 48,365	\$ 102,748
Interest received, net of withholding taxes	\$ 1,995	\$ –
Dividends received, net of withholding taxes	\$ 249,311	\$ 336,356

(See accompanying notes to financial statements)

**Schedule of Investments** (unaudited)

As at June 30, 2024

Security	Shares/ Contracts	Average Cost	Fair Value
U.S. EQUITIES (91.01%)			
Financials (90.25%)			
Ally Financial Inc.	7,642	\$ 254,280	\$ 414,736
Ameriprise Financial Inc.	433	123,689	253,053
Ameris Bancorp	5,839	248,470	402,198
Apollo Global Management Inc.	1,729	100,050	279,278
Ares Management Corp., Class 'A'	1,553	116,116	283,164
Arthur J. Gallagher & Co.	645	137,888	228,813
Bank OZK	4,796	261,071	269,008
Blue Owl Capital Inc.	17,040	274,180	413,780
BOK Financial Corp.	2,000	244,303	250,736
Brown & Brown Inc.	3,052	231,509	373,313
Cadence Bank	14,706	450,175	568,952
Carlyle Group Inc. (The)	3,800	243,656	208,723
Cboe Global Markets Inc.	2,039	331,064	474,375
Citizens Financial Group Inc.	9,002	390,353	443,716
Columbia Banking Systems Inc.	5,203	143,652	141,576
Corpay Inc.	1,218	406,627	443,915
Cullen / Frost Bankers Inc.	1,454	211,162	202,157
East West Bancorp Inc.	7,479	568,201	749,263
Enterprise Financial Services Corp.	1,961	91,584	109,751
Evercore Inc., Class 'A'	1,266	227,354	360,991
First American Financial Corp.	3,498	239,350	258,174
First Financial Bankshares Inc.	5,700	243,785	230,272
First Horizon Corp.	12,318	231,343	265,750
Hamilton Lane Inc., Class 'A'	2,097	285,268	354,526
Hancock Whitney Corp.	11,122	578,643	727,755
Hanover Insurance Group Inc. (The)	2,353	374,618	403,794
Hartford Financial Services Group Inc. (The)	3,650	304,544	502,035
Home Bancshares Inc.	10,626	297,434	348,304
Houlihan Lokey Inc.	1,662	196,770	306,631
Jefferies Financial Group Inc.	4,130	207,185	281,146
Kemper Corp.	4,310	352,349	349,827
KeyCorp	12,611	243,330	245,158
Kinsale Capital Group Inc.	269	184,562	141,785
Live Oak Bancshares Inc.	9,798	448,561	469,950
LPL Financial Holdings Inc.	1,973	371,008	753,876
MGIC Investment Corp.	14,475	246,362	426,744
Nasdaq Inc.	7,719	519,825	636,344
Pacific Premier Bancorp Inc.	4,872	207,337	153,098
Palomar Holdings Inc.	1,770	181,086	196,501

**Schedule of Investments** (unaudited) (continued)

As at June 30, 2024

Security	Shares/ Contracts	Average Cost	Fair Value
Pinnacle Financial Partners Inc.	4,064	327,282	445,003
Primerica Inc.	768	211,639	248,566
Prosperity Bancshares Inc.	6,381	518,778	533,723
Raymond James Financial Inc.	2,653	238,922	448,635
Regions Financial Corp.	14,725	384,890	403,697
Ryan Specialty Group Holdings Inc., Class 'A'	9,064	540,469	718,084
Seacoast Banking Corp. of Florida	5,088	151,868	164,550
South State Corp.	6,067	555,064	634,283
Stifel Financial Corp.	2,350	246,048	270,535
Synovus Financial Corp.	8,997	398,089	494,672
TPG Inc.	7,237	426,538	410,379
Tradeweb Markets Inc., Class 'A'	830	117,784	120,361
Voya Financial Inc.	2,752	209,096	267,871
W.R. Berkley Corp.	3,669	340,867	394,423
Webster Financial Corp.	8,214	481,485	489,828
Western Alliance Bancorp	7,690	541,000	660,886
Wintrust Financial Corp.	2,834	353,281	382,122
WSFS Financial Corp.	4,614	230,941	296,673
Zions Bancorporation NA	2,408	124,144	142,872
		17,166,929	21,450,331
Information Technology (0.76%)			
WEX Inc.	750	244,231	181,752
		17,411,160	21,632,083
GLOBAL EQUITIES (9.31%)			
Bermuda (5.46%)			
Arch Capital Group Ltd.	4,373	328,771	603,573
Essent Group Ltd.	5,853	341,343	449,924
RenaissanceRe Holdings Ltd.	801	244,949	244,924
		915,063	1,298,421
Puerto Rico (3.35%)			
Popular Inc.	6,574	574,463	795,301
Ireland (0.50%)			
Willis Towers Watson PLC	330	118,561	118,345
		1,608,087	2,212,067



Schedule of Investments (unaudited) (continued)

As at June 30, 2024

Security	Shares/ Contracts	Average Cost	Fair Value
DERIVATIVES (-0.23%)			
Currency Forwards (-0.23%)			
Currency forward contract to buy C\$19,084,450 for US\$14,000,000 maturing July 31, 2024		-	(55,575)
TOTAL DERIVATIVES		-	(55,575)
Transaction Costs		(7,846)	
TOTAL INVESTMENT PORTFOLIO (100.08%)		\$ 19,011,401	\$ 23,788,575
Cash and cash equivalents (0.20%)			48,365
Other assets less liabilities (-0.28%)			(68,138)
NET ASSETS (100.00%)			\$ 23,768,802

(See accompanying notes to financial statements)

**Notes to Financial Statements** (unaudited)

For the Periods Ended June 30, 2024 and 2023

1. REPORTING ENTITY

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

The ETF is offered for sale on a continuous basis by its prospectus in class E units (“Class E”) which trade on the Toronto Stock Exchange (“TSX”) in Canadian dollars under the symbol HUM. An investor may buy or sell units of the ETF on the TSX only through a registered broker or dealer in the province or territory where the investor resides. Investors are able to trade units of the ETF in the same way as other securities traded on the TSX, including by using market orders and limit orders and may incur customary brokerage commissions when buying or selling units.

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

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

2. BASIS OF PREPARATION**(i) Statement of compliance**

The financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”). Any mention of total net assets, net assets, net asset value or increase (decrease) in net assets is referring to net assets or increase (decrease) in net assets attributable to holders of redeemable units as reported under IFRS.

These financial statements were authorized for issue on August 19, 2024, by the Board of Directors of the Manager.

(ii) Basis of measurement

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

(iii) Functional and presentation currency

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

**Notes to Financial Statements** (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

(a) Financial instruments**(i) Recognition, initial measurement and classification**

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

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

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

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

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

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

(ii) Fair value measurement

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

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

**Notes to Financial Statements** (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

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

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

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

(iii) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

(iv) Specific instruments**Cash and cash equivalents**

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

Forward foreign exchange contracts

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

Redeemable units

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

**Notes to Financial Statements** (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

(b) Investment income

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

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

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

If the ETF incurs withholding taxes imposed by certain countries on investment income and capital gains, such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statements of comprehensive income.

(c) Foreign currency

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

(d) Cost basis

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

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

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

(f) Unitholder transactions

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

**Notes to Financial Statements** (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

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

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

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

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

(i) Transaction costs

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

(j) Changes in accounting policies

The Fund adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2) from January 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The Manager reviewed the accounting policies and made updates to the information disclosed in note 3 in certain instances in line with the amendments.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

5. FINANCIAL INSTRUMENTS RISK

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

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

(a) Market risk

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

(i) Currency risk

Currency risk is the risk that financial instruments which are denominated in currencies other than the ETF's reporting currency, the Canadian dollar, will fluctuate due to changes in exchange rates and adversely impact the ETF's income, cash flows or fair values of its investment holdings. The ETF may reduce its foreign currency exposure through the use of derivative arrangements such as foreign exchange forward contracts or futures contracts. The following table indicates the foreign currencies to which the ETF had significant exposure as at June 30, 2024, and December 31, 2023, in Canadian dollar terms and the potential impact on the ETF's net assets (including the underlying principal amount of future or forward currency contracts, if any), as a result of a 1% change in these currencies relative to the Canadian dollar:

June 30, 2024	Financial Instruments	Currency Forward and/ or Futures Contracts	Total	Impact on Net Asset Value
Currency	(\$000's)	(\$000's)	(\$000's)	(\$000's)
U.S. Dollar	23,913	(19,140)	4,773	48
Total	23,913	(19,140)	4,773	48
As % of Net Asset Value	101%	-80.5%	20.1%	0.2%

December 31, 2023	Financial Instruments	Currency Forward and/ or Futures Contracts	Total	Impact on Net Asset Value
Currency	(\$000's)	(\$000's)	(\$000's)	(\$000's)
U.S. Dollar	28,021	(17,881)	10,140	101
Total	28,021	(17,881)	10,140	101
As % of Net Asset Value	100%	-63.8%	36.2%	0.4%



Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

(ii) Interest rate risk

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

As at June 30, 2024, and December 31, 2023, the ETF did not hold any long-term debt instruments and did not have any exposure to interest rate risk.

(iii) Other market risk

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

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

Comparative Index	June 30, 2024	December 31, 2023
Russell 2000 Index Financials	\$222,410	\$241,139

(b) Credit risk

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

As at June 30, 2024, and December 31, 2023, due to the nature of its portfolio investments, the ETF did not have any material credit risk exposure.

(c) Liquidity risk

Liquidity risk is the risk that the ETF will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The ETF's policy and the Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of units, without incurring unacceptable

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

losses or risking damage to the ETF's reputation. Generally, liabilities of the ETF are due within 90 days. Liquidity risk is managed by investing the majority of the ETF's assets in investments that are traded in an active market and can be readily disposed. The ETF aims to retain sufficient cash and cash equivalent positions to maintain liquidity; therefore, the liquidity risk for the ETF is considered minimal.

6. FAIR VALUE MEASUREMENT

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

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

Changes in valuation methods may result in transfers into or out of an investment's assigned level. The following is a summary of the inputs used as at June 30, 2024, and December 31, 2023, in valuing the ETF's investments and derivatives carried at fair values:

	June 30, 2024			December 31, 2023		
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)
Financial Assets						
Equities	23,844,150	–	–	27,890,755	–	–
Currency Forward Contracts	–	–	–	–	132,705	–
Total Financial Assets	23,844,150	–	–	27,890,755	132,705	–
Financial Liabilities						
Currency Forward Contracts	–	(55,575)	–	–	–	–
Total Financial Liabilities	–	(55,575)	–	–	–	–
Net Financial Assets and Liabilities	23,844,150	(55,575)	–	27,890,755	132,705	–

There were no significant transfers made between Levels 1 and 2 as a result of changes in the availability of quoted market prices or observable market inputs during the period and year shown. In addition, there were no investments classified in Level 3 for the period ended June 30, 2024, and for the year ended December 31, 2023.

7. SECURITIES LENDING

In order to generate additional returns, the ETF is authorized to enter into securities lending agreements with borrowers deemed acceptable in accordance with National Instrument 81-102 – *Investment Funds* ("NI 81-102"). Under a securities lending agreement, the borrower must pay the ETF a negotiated securities lending fee, provide compensation to the ETF equal to any distributions received by the borrower on the securities borrowed, and the ETF must receive an acceptable form of collateral in excess of the value of the securities loaned. Although such collateral is marked to market, the ETF

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

may be exposed to the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities. Revenue, if any, earned on securities lending transactions during the period is disclosed in the ETF's statements of comprehensive income.

The aggregate closing market value of securities loaned and collateral received as at June 30, 2024, and December 31, 2023, was as follows:

As at	Securities Loaned	Collateral Received
June 30, 2024	–	–
December 31, 2023	\$1,043,899	\$1,110,353

Collateral may comprise, but is not limited to, cash and obligations of or guaranteed by the Government of Canada or a province thereof; by the United States government or its agencies; by some sovereign states; by permitted supranational agencies; and short-term debt of Canadian financial institutions, if, in each case, the evidence of indebtedness has a designated rating as defined by NI 81-102.

The table below presents a reconciliation of the securities lending income as presented in the statements of comprehensive income for the periods ended June 30, 2024 and 2023. It shows the gross amount of securities lending revenues generated from the securities lending transactions of the ETF, less any taxes withheld and amounts earned by parties entitled to receive payments out of the gross amount as part of any securities lending agreements.

For the periods ended	June 30, 2024	% of Gross Income	June 30, 2023	% of Gross Income
Gross securities lending income	\$242		\$9	
Lending Agent's fees:				
Bank of New York Mellon	(85)	(35.12%)	(3)	(33.33%)
Net securities lending income paid to the ETF	\$157	64.88%	\$6	66.67%

8. REDEEMABLE UNITS

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

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

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

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

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

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

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

For the periods ended June 30, 2024 and 2023, the number of units issued by subscription, the number of units redeemed, the total and average number of units outstanding was as follows:

Period	Beginning Units Outstanding	Units Issued	Units Redeemed	Ending Units Outstanding	Average Units Outstanding
2024	1,018,282	75,195	(275,000)	818,477	878,998
2023	1,742,552	50,544	(850,000)	943,096	1,279,748

9. EXPENSES AND OTHER RELATED PARTY TRANSACTIONS
Management fees

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

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

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

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

Other expenses

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

The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, without notice, or continued indefinitely, at the discretion of the Manager.

10. BROKER COMMISSIONS, SOFT DOLLARS AND RELATED PARTY TRANSACTIONS

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

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

Total brokerage commissions paid to dealers in connection with investment portfolio transactions, soft dollar transactions incurred and amounts paid to related parties of the Manager, if any, for the periods ended June 30, 2024 and 2023, were as follows:

Period Ended	Brokerage Commissions Paid	Soft Dollar Transactions	Amount Paid to Related Parties
June 30, 2024	\$6,544	\$2,100	\$nil
June 30, 2023	\$18,265	\$6,700	\$nil

In addition to the information contained in the table above, the management fees paid to the Manager described in note 9 are related party transactions, as the Manager is considered to be a related party to the ETF. Fees paid to the Independent Review Committee are also considered to be related party transactions. Both fees are disclosed in the statements of comprehensive income. The management fees payable by the ETF as at June 30, 2024, and December 31, 2023, are disclosed in the statements of financial position.

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

Notes to Financial Statements (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

11. INCOME TAX

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

12. TAX LOSSES CARRIED FORWARD

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

13. OFFSETTING OF FINANCIAL INSTRUMENTS

In the normal course of business, the ETF may enter into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the statements of financial position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. The following table shows financial instruments that may be eligible for offset, if such conditions were to arise, as at June 30, 2024, and December 31, 2023. The “Net” column displays what the net impact would be on the ETF’s statements of financial position if all amounts were set-off.

Financial Assets and Liabilities as at	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
June 30, 2024						
Derivative assets	–	–	–	–	–	–
Derivative liabilities	(55,575)	–	(55,575)	–	–	(55,575)

Financial Assets and Liabilities as at	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
December 31, 2023						
Derivative assets	132,705	–	132,705	–	–	132,705
Derivative liabilities	–	–	–	–	–	–

**Notes to Financial Statements** (unaudited) (continued)

For the Periods Ended June 30, 2024 and 2023

14. INTERESTS IN SUBSIDIARIES, ASSOCIATES AND UNCONSOLIDATED STRUCTURED ENTITIES

The ETF may invest in units of other ETFs as part of its investment strategies (“Investee ETF(s)”). The nature and purpose of these Investee ETFs generally, is to manage assets on behalf of third party investors in accordance with their investment objectives, and are financed through the issue of units to investors. At no time, would the ETF provide financial or other support to any Investee ETF, including assisting any Investee ETF in obtaining financial support.

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

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

Investments in Investee ETFs are susceptible to market price risk arising from uncertainty about future values of those Investee ETFs. The maximum exposure to loss from interests in Investee ETFs is equal to the total fair value of the investment in those respective Investee ETFs at any given point in time. The fair value of Investee ETFs, if any, are disclosed in investments in the statements of financial position and listed in the schedule of investments. As at June 30, 2024, and December 31, 2023, the ETF did not have exposure to subsidiaries, associates or unconsolidated structured entities.

Manager
Hamilton Capital Partners Inc.
70 York Street, Suite 1520
Toronto, Ontario
M5J 1S9
Tel: (416) 941-9888
www.hamiltonetfs.com

Auditors
KPMG LLP
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, Ontario
M5H 2S5

Custodian
CIBC Mellon Trust Company
1 York Street, Suite 900
Toronto, Ontario
M5J 0B6

Registrar and Transfer Agent
TSX Trust Company
100 Adelaide Street West, Suite 301
Toronto, Ontario
M5H 4H1



HUM
HAMILTON U.S.
MID-CAP
FINANCIALS ETF

Hamilton Capital Partners Inc. | 70 York Street, Suite 1520 | Toronto, Ontario M5J 1S9

416.941.9888 | www.hamiltonetfs.com