Mulvihill Enhanced Split Preferred Share ETF

(formerly U.S. Health Care Enhanced Yield ETF)

Annual Report 2024

MULVIHILL

Letter to Unitholders

We are pleased to present the 2024 annual report containing the management report of fund performance and the audited financial statements for Mulvihill Enhanced Split Preferred Share ETF (the "Fund"). As stated in the amended prospectus dated December 6, 2024 and the Shareholder letter of the same date, the name of the fund changed from Mulvihill U.S. Health Care Enhanced Yield ETF to Mulvihill Enhanced Split Preferred Share ETF. There was also a change to the focus of the Fund from equities of U.S. healthcare companies to primarily listed preferred shares of Canadian split share corporations.

For the year ended December 31, 2024, equity markets generated strong returns as markets priced in the continued easing of interest rates by central banks, lower inflation, strong earnings growth as well as a soft landing for the economy. Markets initially received a bump post the U.S. election on November 5, 2024, on incoming President Trump and his pro-growth policies for the U.S. economy, however, gave back some of that return by year-end. Most global equity markets generated strong returns during the year with U.S. markets leading the way with the S&P 500 Index generating a total return of 25.0 percent while the technology heavy NASDAQ Composite Index generated a total return of 29.6 percent. For the most part, the largest mega-cap stocks carried the day once again as evidenced by the S&P 500 Equal Weighted Index generating a total return of just 13 percent during 2024, just over half the return of its market capitalization weighted counterpart. Here in Canada, the S&P/TSX Index lagged the U.S. indices but still generated a very strong 21.6 percent in 2024. Sector performance varied significantly in both markets with Technology and Financial stocks leading the way in Canada, with total returns of 38.0 percent and 30.1 percent respectively, while south of the border, Communication and Technology stocks led the way with total returns of 40.2 percent and 36.6 percent respectively. Not all sectors went up in 2024, as Communication stocks in Canada lagged considerably, down 21.1 percent, while Material stocks in the U.S. were flat for the year. The Canadian dollar declined 8.0 percent relative to the U.S. dollar during the year.

The net asset value ("NAV") of the Fund (previously XLVE) decreased 9.6 percent from $8.55 per Unit on December 31, 2023 to $7.73 on December 5, 2024. The fund paid distributions totaling $0.64 during that period which resulted in a total return of negative 2.2 percent for the period. The shares outstanding were consolidated on December 6th to coincide with the new mandate of the fund and reset the starting NAV to $10.00 per Unit. The NAV of the Fund decreased 1.5 percent from $10.00 per Unit on December 6, the first Net Asset Value date, to $9.85 per Unit at December 31, 2024. For the period ended December 31, 2024, the return per Unit since the first Net Asset Value date of December 6, 2024, including reinvestment of distributions, was negative 0.7 percent. The Fund paid cash distributions of $0.08 per Unit during the period. For a more detailed review of the operations of the Fund, please see the Results of Operations and the Portfolio Manager Report sections.

We thank all unitholders for their continued support and encourage unitholders to review the detailed information contained within the annual report.

John Mulvihill
Chairman & CEO
Mulvihill Capital Management Inc.

The Fund

The Fund is a mutual fund investment trust that seeks to provide unitholders with (a) monthly distributions and (b) the opportunity for capital preservation.

To accomplish its objectives, the Fund will invest in an actively managed portfolio consisting primarily of preferred shares offered by Canadian split share corporations listed on a Canadian exchange. The Fund may also seek to acquire preferred shares of split share corporations in their initial public, or follow on, offerings. The Fund may also hold Class A shares of Canadian split share corporations listed on a Canadian exchange at the discretion of the Manager. The Fund may not invest more than (a) 20.0 percent of its net asset value in preferred shares of any one split share corporation at the time of investment and (b) 20.0 percent of its net asset value in Class A shares of split share corporations at the time of investment.

The Fund may also invest in preferred shares of other issuers, exchange-traded funds, other investment funds, equities or income-generating securities, and securities that are convertible into any of the above noted securities provided such investments are consistent with the Fund's investment objectives.

The Fund may also write call and put options on a portion of its portfolio, from time to time, to seek to generate investment returns and, in the case of put options, acquire securities at predetermined prices in a manner that reduces acquisition costs.

The Fund may, from time to time, use leverage in certain circumstances to enhance dividend income or to pursue attractive investment opportunities, as determined by the Manager, at its sole discretion. The Fund does not expect to employ leverage in excess of 50.0 percent of its net asset value.

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Management Report of Fund Performance

The management report of fund performance contains the financial highlights for the year ended December 31, 2024 of Mulvihill Enhanced Split Preferred Share ETF (the “Fund”). The audited financial statements of the Fund are attached.

Copies of the Fund’s proxy voting policies and procedures, proxy voting disclosure record and quarterly portfolio disclosure may be obtained by calling 1-800-725-7172 toll free, by writing to the Fund at Investor Relations, 121 King Street West, Suite 2600, P.O. Box 113, Toronto, Ontario, M5H 3T9, by email at info@mulvihill.com or by visiting our website at www.mulvihill.com. You can also request semi-annual or annual reports at no cost by using one of the above methods.

Investment Objectives and Strategies

The Fund’s seeks to provide unitholders with:

(a) monthly distributions, and

(b) the opportunity for capital preservation.

To accomplish its objectives, the Fund will invest in an actively managed portfolio consisting primarily of preferred shares offered by Canadian split share corporations listed on a Canadian exchange. The Fund may also seek to acquire preferred shares of split share corporations in their initial public, or follow on, offerings. The Fund may also hold Class A shares of Canadian split share corporations listed on a Canadian exchange at the discretion of the Manager. The Fund may not invest more than (a) 20.0 percent of its net asset value in preferred shares of any one split share corporation at the time of investment and (b) 20.0 percent of its net asset value in Class A shares of split share corporations at the time of investment.

The Fund may also invest in preferred shares of other issuers, exchange-traded funds, other investment funds, equities or income-generating securities, and securities that are convertible into any of the above noted securities provided such investments are consistent with the Fund’s investment objectives.

The Fund may also write call and put options on a portion of its portfolio, from time to time, to seek to generate investment returns and, in the case of put options, acquire securities at predetermined prices in a manner that reduces acquisition costs.

The Fund may, from time to time, use leverage in certain circumstances to enhance dividend income or to pursue attractive investment opportunities, as determined by the Manager, at its sole discretion. The Fund does not expect to employ leverage in excess of 50.0 percent of its net asset value

Risk

Risks associated with an investment in the securities of the Fund are discussed in the Fund’s prospectus, which is available on the Fund’s website at www.mulvihill.com or on SEDAR+ at www.sedarplus.ca. There were no changes to the Fund over the year that materially affected the risks associated with an investment in the securities of the Fund.

Results of Operations

Distributions

For the year ended December 31, 2024, cash distributions of $0.72 were paid compared to $0.64 during the prior year.

Revenue and Expenses

The Fund’s total revenue was $0.18 per Unit and total expenses were $0.52 per Unit for the year ended December 31, 2024, compared to revenue of $0.09 per Unit and expenses of $0.42 per Unit during the prior year. The Fund had a net realized and unrealized gain of $0.18 during the year ended December 31, 2024 compared to a net realized and unrealized loss of $0.41 per Unit during the prior year.

Net Asset Value

The net asset value of the Fund per Unit increased 15.2 percent from $8.55 per Unit at December 31, 2023, before the share consolidation, to $9.85 per Unit at December 31, 2024. The aggregate net asset value of the Fund increased $1.0 million, from $6.4 million at December 31, 2023, before the share consolidation, to $7.4 million at December 31, 2024, reflecting an operating loss of $0.1 million, proceeds from issuance of units of $3.7 million, redemptions of $2.0 million and cash distributions of $0.6 million during the year.

Recent Developments

On December 6, 2024, Mulvihill Capital Management Inc., the manager of Mulvihill Enhanced Split Preferred Share ETF, formerly Mulvihill U.S. Health Care Enhanced Yield ETF, announced that the reorganization of the Fund had been completed, which included: changing the name of the Fund, changing the focus of the Fund from equities of U.S. healthcare companies to primarily listed preferred shares of Canadian split share corporations, and consolidating the exchange-traded units (the "Units") of the Fund in order to reset the net asset value per Unit to $10.00 per Unit.

Related Party Transactions

Mulvihill Capital Management Inc. ("Mulvihill"), acts as the trustee, manager and portfolio manager of the Fund pursuant to the Declaration of Trust dated February 14, 2022. The Manager has taken the initiative and may be considered to be a promoter of the Mulvihill ETFs. Pursuant to the Declaration of Trust, the Manager is required to provide, or cause to be provided, all necessary or advisable administrative services and facilities including valuation, fund accounting and Unitholder records.

Mulvihill is paid the fees described under the Management Fees section of this report.

During the year, no recommendations or approvals were required to be sought from the Independent Review Committee ("IRC") concerning related party transactions.

Independent Review Committee

National Instrument 81-107 — Independent Review Committee for Investment Funds ("NI 81-107") requires all publicly offered investment funds to establish an IRC to whom the Manager must refer conflict of interest matters for review or approval. NI 81-107 also imposes obligations upon the Manager to establish written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the IRC in carrying out its functions. The Chief Compliance Officer, designated by the Manager, is in charge of facilitating the fulfillment of these obligations.

The IRC will prepare, for each financial year, a report to securityholders that describes the IRC and its activities during such financial year and includes, if known, a description of each instance when the Manager acted in a conflict of interest matter for which the IRC did not give a positive recommendation or for which a condition, imposed by the IRC, was not met in its recommendation or approval. Members of the IRC are Robert G. Bertram, R. Peter Gillin and Dr. Robert Bell.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance from its inception on February 14, 2022. This information is derived from the Fund's audited financial statements.

Periods ended December 31	**2024**	2023	2022[4]
NET ASSETS PER UNIT			
Net Assets, beginning of period[1]	**$ 8.55**	$ 10.00	$ 10.00
INCREASE (DECREASE) FROM OPERATIONS			
Total revenue	**0.18**	0.09	–
Total expenses	**(0.52)**	(0.42)	–
Realized gain (loss) for the period	**0.33**	(0.63)	–
Unrealized gain (loss) for the period	**(0.15)**	0.22	–
Total Increase (Decrease) from Operations[2]	**(0.16)**	(0.74)	–
DISTRIBUTIONS			
Non-taxable distributions	**(0.72)**	(0.64)	–
Total Distributions[3]	**(0.72)**	(0.64)	–
Net Assets, end of period[1]	**$ 9.85[5]**	$ 8.55	$ 10.00

(1) All per unit figures are derived from the Fund's audited financial statements for the periods ended December 31. Net Assets per unit is the difference between the aggregate value of the assets and the aggregate value of the liabilities, divided by the number of units then outstanding.
(2) Total increase (decrease) from operations consists of interest and dividend revenue, realized and unrealized gain (loss), less expenses and is calculated based on the weighted average number of units outstanding during the period. The schedule is not intended to total to the ending net assets as calculations are based on the weighted average number of units outstanding during the period.
(3) Distributions to unitholders are based on the number of units outstanding on the record date for each distribution.
(4) For the period from inception on February 14, 2022 to December 31, 2022.
(5) As at December 6, 2024, the Fund changed its name, amended its investment strategy and consolidated its units (the "Unit Consolidation"). The net asset value per unit at December 31, 2024 reflects the effect of the Share Consolidation.

Periods ended December 31	**2024**	2023	2022[7]
RATIOS/SUPPLEMENTAL DATA			
Net Asset Value ($millions)[1]	**$ 7.41**	$ 6.41	$ –
Number of units outstanding[1]	**752,454**	750,000	1
Management expense ratio[2]	**5.80%**	5.16%	–
Management expense ratio excluding financing costs[2]	**5.49%**	5.16%	–
Portfolio turnover rate[3]	**160.82%**	195.01%	–
Trading expense ratio[4]	**0.27%**	0.09%	–
Net Asset Value per unit[5]	**$ 9.85**	$ 8.55	$ 10.00
Closing market price	**$ 9.93[6]**	$ 8.53	$ –

(1) This information is provided as at December 31.
(2) The management expense ratio ("MER") is the sum of all fees and expenses for the stated period, including harmonized sales tax but excluding transaction fees, divided by the average net asset value. The management expense ratio excluding financing costs also excludes the interest expense related to borrowings. Generally, the MER increases when the Fund becomes smaller in size due to redemptions. The MER includes withholdings taxes. The MER for 2024 and 2023 excluding withholding taxes is 5.66% and 4.55% respectively.
(3) Portfolio turnover rate is calculated based on the lesser of purchases or sales of investments, excluding short-term investments, divided by the average value of the portfolio securities. The Fund employs an option overlay strategy which can result in higher portfolio turnover by virtue of option exercises, when compared to a conventional equity mutual fund.
(4) Trading expense ratio represents total commissions expressed as a percentage of the daily average net asset value during the period.
(5) Net Asset Value per unit is the difference between the aggregate value of the assets including the valuation of securities at closing prices and the aggregate value of the liabilities divided by the number of units then outstanding.
(6) The last date with an executed trade was December 31, 2024.
(7) For the period from inception on February 14, 2022 to December 31, 2022.

Management Fees

Mulvihill, as the Investment Manager and Manager of the Fund, is entitled to fees under the Trust Agreement calculated and accrued daily and paid monthly as 1/12 of 0.65 percent of the net asset value of the Fund at each month end. Services received under the Trust Agreement include the making of all investment decisions and writing of covered call options in accordance with the investment objectives, strategy and criteria of the Fund, and providing for or arranging for required administrative services to the Fund. Mulvihill also makes all decisions as to the purchase and sale of securities in the Fund's portfolio and as to the execution of all portfolio and other transactions.

The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

Past Performance

The following chart sets out the Fund's year-by-year past performance. It is important to note that the:

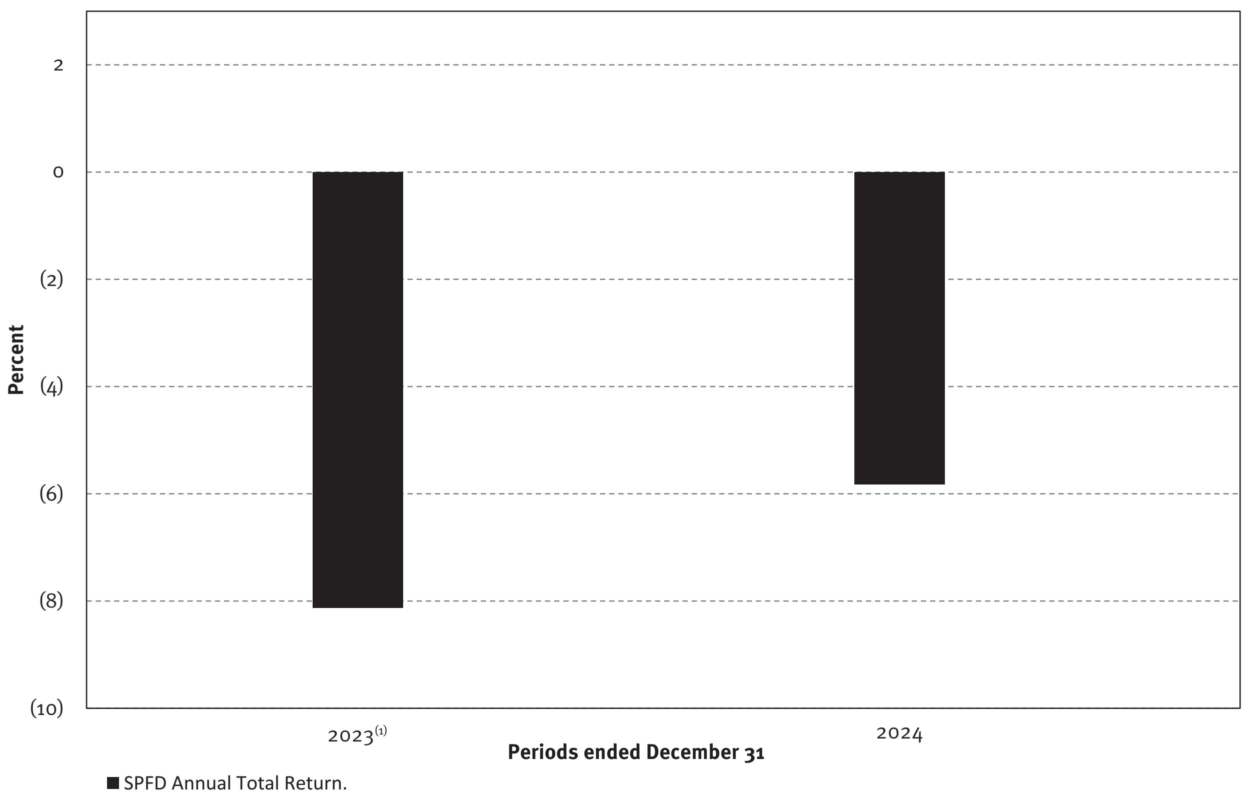
(1) Information shown assumes that all distributions made by the Fund during these periods were reinvested in Units of the Fund,

(2) Information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and

(3) Past performance of the Fund does not necessarily indicate how it will perform in future.

Year-By-Year Returns

The following bar chart illustrates how the Fund's total return varied from year to year for each year since February 25, 2022, the first NAV date. The chart also shows, in percentage terms, how much an investment made on January 1 or on February 1, 2023, the first net asset value date, would have increased or decreased by the end of that fiscal year.



(1) For the period from February 1, 2023, the first net asset value date of the predecessor fund, to December 31, 2023.

Note: For the period up to December 5, 2024, returns represent those of Mulvihill U.S. Health Care Enhanced Yield ETF, the predecessor fund.

Annual Compound Returns

The following table shows the Fund's historical annual compound return (net of expenses) for the periods ended December 31, 2024 as compared to the performance of the S&P/TSX Preferred Share Index.

	One Year	Since Inception(1)
Mulvihill Enhanced Split Preferred Share ETF	-2.97%	-5.82%
S&P/TSX Preferred Share Index	24.70%	11.45%

(1) From the first NAV date on February 1, 2023.

Use of the S&P/TSX Preferred Share Index as a benchmark is deemed appropriate as the stocks within the index include the securities that the Fund invests in.

The equity performance benchmark shown here provides an approximate indication of how the Fund's returns compare to a public market index for similar securities. It is important to note that the Fund is not managed in order to match or exceed this index; rather, its objectives are to provide unitholders with (a) monthly distributions and (b) the opportunity for capital preservation. As a result, the Fund has, from time to time, maintained cash balances in an effort to provide greater net asset value stability and employs a covered option writing strategy to enhance the income generated by the portfolio and reduce volatility.

The Manager believes that in a flat or downward trending market, a portfolio that is subject to covered call option writing will generally provide higher relative returns and lower volatility than one on which no options are written. However, in a rising market, the use of options may have the effect of limiting or reducing the total returns of the Fund since the premiums associated with writing covered call options may be outweighed by the foregone opportunity of remaining fully invested in the securities comprising the portfolio.

Portfolio Manager Report

For the year ended December 31, 2024, equity markets generated strong returns as markets priced in the continued easing of interest rates by central banks, lower inflation, strong earnings growth as well as a soft landing for the economy. Markets initially received a bump post the U.S. election on November 5, 2024, on incoming President Trump and his pro-growth policies for the U.S. economy, however, gave back some of that return by year-end. Most global equity markets generated strong returns during the year with U.S. markets leading the way with the S&P 500 Index generating a total return of 25.0 percent while the technology heavy NASDAQ Composite Index generated a total return of 29.6 percent. For the most part, the largest mega-cap stocks carried the day once again as evidenced by the S&P 500 Equal Weighted Index generating a total return of just 13 percent during 2024, just over half the return of its market capitalization weighted counterpart. Here in Canada, the S&P/TSX Index lagged the U.S. indices but still generated a very strong 21.6 percent in 2024. Sector performance varied significantly in both markets with Technology and Financial stocks leading the way in Canada, with total returns of 38.0 percent and 30.1 percent respectively, while south of the border, Communication and Technology stocks led the way with total returns of 40.2 percent and 36.6 percent respectively. Not all sectors went up in 2024, as Communication stocks in Canada lagged considerably, down 21.1 percent, while Material stocks in the U.S. were flat for the year. The Canadian dollar declined 8.0 percent relative to the U.S. dollar during the year.

The net asset value ("NAV") of the Fund (previously XLVE) decreased 9.6 percent from $8.55 per Unit on December 31, 2023 to $7.73 on December 5, 2024, before the effects of the Share Consolidation. The fund paid distributions totaling $0.64 during that period which resulted in a total return of negative 2.2 percent for the period. The shares outstanding were consolidated on December 6th to coincide with the new mandate of the fund and reset the starting NAV to $10.00 per Unit. The NAV per Unit of the Fund at December 31, 2024 was $9.85 compared to $10.00 on the first net asset value date of December 6, 2024. The shares, which are listed on the Toronto Stock Exchange as SPFD, last traded in 2024 at $9.93. The price represents a $0.08 premium to the NAV per Unit. A distribution of $0.08 per share was paid to the shareholders during the period. The Fund's total return per Unit since the Share Consolidation, including reinvestment of distributions, was negative 0.7 percent.

The volatility of the securities held in the Fund is relatively low with an equal-weighted average at approximately 8.3%. No option positions were held in the fund during the year.

Summary of Investment Portfolio

The composition of the portfolio may change due to ongoing portfolio transactions of the Fund. A quarterly portfolio summary, which includes the percentage of net asset value for each holding, and a monthly portfolio list are available on our website at www.mulvihill.com.

Asset Mix

December 31, 2024

	% OF NET ASSET VALUE
Canadian Preferred Shares	85.3 %
Exchange-Traded Funds	8.4 %
Cash and Short-Term Investments	7.9 %
Other Assets (Liabilities)	(1.6)%
	100.0 %

Portfolio Holdings

December 31, 2024

	% OF NET ASSET VALUE
Dividend 15 Split Corp., 5.25%, Preferred	18.2 %
Financial 15 Split Corp., 5.25%, Preferred	15.3 %
Dividend 15 Split Corp II., Preferred	15.2 %
North American Financial 15 Split Corp., 5.25%, Preferred	15.2 %
Life & Banc Split Corp., 4.75%, Preferred	12.0 %
Cash and Short-Term Investments	7.9 %
Premium Income Corp., 7.50%, Preferred	6.7 %
E Split Corp.	5.1 %
Premium Global Income Split Corp. ETF	3.3 %
Canadian Life Cos Split Corp., 6.25%, Preferred, Series B	2.4 %
Premium Global Income Split Corp., 7.50%, Preferred	0.3 %

Forward-Looking Statements

This report may contain forward-looking statements about the Fund. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also forward-looking. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to any divergence between what is anticipated and what actually occurs, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technology change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

The above-mentioned list of important factors is not exhaustive. You should consider these and other factors carefully before making any investment decisions and you should avoid placing undue reliance on forward-looking statements. While the Fund currently anticipates that subsequent events and developments may cause the Fund’s views to change, the Fund does not undertake to update any forward-looking statements.

Management's Responsibility for Financial Reporting

The accompanying audited financial statements of Mulvihill Enhanced Split Preferred Share ETF (the "Fund") and all the information in this annual report are the responsibility of the management of Mulvihill Capital Management Inc. (the "Manager") and have been approved by the Board of Directors of the Manager (the "Board").

The financial statements have been prepared by management in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and include certain amounts that are based on estimates and judgments. Management has ensured that the other financial information presented in this semi-annual report is consistent with the financial statements. The material accounting policy information which management believes are appropriate for the Fund are described in Note 3 of the financial statements.

The Manager is also responsible for maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Audit Committee meets periodically with management and the independent auditor to discuss internal controls, the financial reporting process, various auditing and financial reporting matters, and to review the annual report and financial statements and the independent auditor's report. Deloitte LLP, the Fund's independent auditor, has full and unrestricted access to the Audit Committee and the Board.

John Mulvihill
Director
Mulvihill Capital Management Inc.

March 4, 2025

John D. Germain
Director
Mulvihill Capital Management Inc.

To the Unitholders of Mulvihill Enhanced Split Preferred Share ETF (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, changes in net assets attributable to holders of units and cash flows for the years ended December 31, 2024 and 2023, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

- Management Report of Fund Performance; and
- The information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Francesco Quatrale.

Deloitte LLP

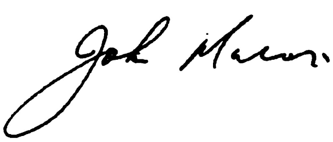
Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
March 28, 2025

Statements of Financial Position

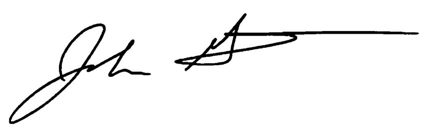
As at December 31

	Note		**2024**		2023
ASSETS					
Financial assets at fair value through profit or loss	6	**$**	**6,947,915**	$	5,817,636
Short-term investments			**552,181**		—
Cash			**27,005**		451,588
Dividends receivable			**48,350**		3,494
Interest receivable			**1,359**		—
Derivative assets			**—**		225,268
TOTAL ASSETS			**7,576,810**		6,497,986
LIABILITIES					
Accrued liabilities			**103,894**		45,314
Distribution payable			**62,702**		43,750
TOTAL LIABILITIES			**166,596**		89,064
NET ASSETS ATTRIBUTABLE TO HOLDERS OF UNITS		**$**	**7,410,214**	$	6,408,922
NET ASSETS ATTRIBUTABLE TO HOLDERS OF UNITS PER UNIT		**$**	**9.8481**	$	8.5452

On behalf of the Manager,
Mulvihill Capital Management Inc.



John Mulvihill, Director



John D. Germain, Director

The notes are an integral part of the Financial Statements.

Statements of Comprehensive Income

Years ended December 31

	Note		2024		2023
INCOME					
Dividend income		$	**122,930**	$	55,017
Interest income			**18,305**		5,750
Net realized gain/(loss) on investments at fair value through profit or loss			**470,679**		(495,170)
Net realized gain/(loss) on options at fair value through profit or loss			**71,400**		267,092
Net realized gain/(loss) on forward exchange contracts at fair value through profit or loss			**(278,883)**		(198,555)
Net change in unrealized gain/(loss) on investments at fair value through profit or loss			**(117,084)**		148,384
TOTAL INCOME/(LOSS), NET			**287,347**		(217,482)
EXPENSES					
Administrative and other expenses			**177,002**		115,385
Interest expense			**21,166**		—
Transaction fees	10		**18,871**		4,888
Custodian fees			**57,955**		54,323
Audit fees			**55,634**		32,757
Independent review committee fees	9		**12,832**		10,220
Legal fees			**23,533**		31,994
Unitholder reporting costs			**15,728**		11,721
Harmonized sales tax			**25,100**		19,543
Withholding taxes			**9,479**		9,057
TOTAL EXPENSES			**417,300**		289,888
DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF UNITS	11	$	**(129,953)**	$	(507,370)
DECREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF UNITS PER UNIT	11	$	**(0.1612)**	$	(0.7434)

The notes are an integral part of the Financial Statements.

Statements of Changes in Net Assets Attributable to Holders of Units

Years ended December 31

		2024		2023
NET ASSETS ATTRIBUTABLE TO HOLDERS OF UNITS, BEGINNING OF YEAR	$	**6,408,922**	$	10
Decrease in Net Assets Attributable to Holders of Units		**(129,953)**		(507,370)
Unit Transactions				
Proceeds from redeemable units issued		**3,730,974**		7,362,529
Redemption of redeemable units		**(2,014,948)**		—
		1,716,026		7,362,529
Distributions				
Non-taxable distributions		**(584,781)**		(446,247)
Changes in Net Assets Attributable to Holders of Units during the Year		**1,001,292**		6,408,912
NET ASSETS ATTRIBUTABLE TO HOLDERS OF UNITS, END OF YEAR	$	**7,410,214**	$	6,408,922

Statements of Cash Flows

Years ended December 31

		2024		2023
Cash Flows Provided By (Used In) Operating Activities				
Decrease in Net Assets Attributable to Holders of Units	$	**(129,953)**	$	(507,370)
Adjustments to Reconcile Net Cash Provided By (Used In) Operating Activities				
Net realized (gain)/loss on investments at fair value through profit or loss		**(470,679)**		495,170
Net realized (gain)/loss on options at fair value through profit or loss		**(71,400)**		(267,092)
Net realized (gain)/loss on forward exchange contracts at fair value through profit and loss		**278,883**		198,555
Net change in unrealized (gain)/loss on investments at fair value through profit or loss		**117,084**		(148,384)
Net change in unrealized (gain)/loss on foreign cash		**25,182**		(7,046)
Decrease/(increase) in dividends receivable		**(44,856)**		(3,494)
Decrease/(Increase) in interest receivable		**(1,359)**		—
(Decrease)/increase in due to brokers — investments and accrued liabilities		**58,580**		45,314
Purchase of investment securities		**(21,286,411)**		(16,629,844)
Proceeds from disposition of investment securities		**19,950,149**		10,315,737
		(1,574,780)		(6,508,454)
Cash Flows Provided By (Used In) Financing Activities				
Proceeds from Units issued		**3,730,974**		7,362,529
Unit redemptions		**(2,014,948)**		—
Unit distributions		**(565,829)**		(402,497)
		1,150,197		6,960,032
Net Decrease/(Increase) in Cash during the Year		**(424,583)**		451,578
CASH, BEGINNING OF YEAR		**451,588**		10.00
CASH, END OF YEAR	$	**27,005**	$	451,588
Dividends received, net of withholding taxes	$	**68,595**	$	42,466
Interest received	$	**16,946**	$	5,750
Interest paid	$	**21,166**	$	—

The notes are an integral part of the Financial Statements.

Schedule of Investments

As at December 31, 2024

	Number of Shares/ Contracts	Average Cost/ Proceeds	Fair Value	% of Net Assets Attributable to Holders of Units
INVESTMENTS				
Short-Term Investments				
Treasury Bills				
Canadian Treasury Bill, 3.66%, January 30, 2025	555,000	$ 552,181	$ 552,181	7.5 %
Total Short-Term Investments		$ 552,181	$ 552,181	7.5 %
Canadian Preferred Shares				
Canadian Life Cos Split Corp., 6.25%, Preferred, Series B	16,400	$ 172,172	$ 176,136	
Dividend 15 Split Corp., 5.25%, Preferred	128,900	1,355,412	1,358,606	
Dividend 15 Split Corp II., Preferred	106,400	1,130,645	1,125,712	
Financial 15 Split Corp., 5.25%, Preferred	105,800	1,124,344	1,131,002	
Life & Banc Split Corp., 4.75%, Preferred	82,200	888,107	886,938	
North American Financial 15 Split Corp., 5.25%, Preferred	105,300	1,123,632	1,128,816	
Premium Global Income Split Corp., 7.50%, Preferred	1,900	19,897	19,779	
Premium Income Corp., 7.50%, Preferred	31,800	498,224	495,126	
Total North American Preferred Shares		$ 6,312,433	$ 6,322,115	85.3 %
Exchange-Trade Funds				
E Split Corp.	27,200	$ 380,411	$ 380,800	
Premium Global Income Split Corp.	35,000	257,526	245,000	
Total Exchange-Traded Funds		$ 637,937	$ 625,800	8.4 %
Adjustment for transaction fees		(15,619)		
TOTAL INVESTMENTS		$ 7,486,932	$ 7,500,096	101.2 %
OTHER NET ASSETS			(89,882)	(1.2)%
NET ASSETS ATTRIBUTABLE TO HOLDERS OF UNITS			$ 7,410,214	100.0 %

1. Fund Information

Mulvihill Enhanced Split Preferred Share ETF (the "Fund") is an investment trust established under the laws of the Province of Ontario on February 14, 2022. The Fund changed its name from Mulvihill U.S. Health Care Enhanced Yield ETF ("XLVE"), amended its investment strategy and consolidated its units on December 6, 2024.

The address of the Fund's registered office is 121 King Street West, Suite 2600, Standard Life Centre, P.O. Box 113, Toronto, Ontario. Mulvihill Capital Management Inc. ("Mulvihill") is the trustee and manager of the Fund. RBC Investor Services Trust is the Custodian of the Fund. The Fund's Units are listed on the Toronto Stock Exchange ("TSX") under the ticker symbol SPFD.

The Fund seeks to provide unitholders with (a) monthly distributions and (b) the opportunity for capital preservation.

To accomplish its objectives, the Fund will invest in an actively managed portfolio consisting primarily of preferred shares offered by Canadian split share corporations listed on a Canadian exchange. The Fund may also seek to acquire preferred shares of split share corporations in their initial public, or follow on, offerings. The Fund may also hold Class A shares of Canadian split share corporations listed on a Canadian exchange at the discretion of the Manager. The Fund may not invest more than (a) 20.0 percent of its net asset value in preferred shares of any one split share corporation at the time of investment and (b) 20.0 percent of its net asset value in Class A shares of split share corporations at the time of investment.

The Fund may also invest in preferred shares of other issuers, exchange-traded funds, other investment funds, equities or income-generating securities, and securities that are convertible into any of the above noted securities provided such investments are consistent with the Fund's investment objectives.

The Fund may also write call and put options on a portion of its portfolio, from time to time, to seek to generate investment returns and, in the case of put options, acquire securities at predetermined prices in a manner that reduces acquisition costs.

The Fund may, from time to time, use leverage in certain circumstances to enhance dividend income or to pursue attractive investment opportunities, as determined by the Manager, at its sole discretion. The Fund does not expect to employ leverage in excess of 50.0 percent of its net asset value.

These financial statements were approved by the Board of Directors of the Manager on March 4, 2025.

2. Basis of Presentation

The financial statements for the Fund have been prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

3. Summary of Material Accounting Policy Information

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise indicated.

Functional and Presentation Currency

Items included in the financial statements of the Fund are measured in the currency of the primary economic environment in which the Fund operates (the "functional currency"). The functional currency is the Canadian dollar, which is also the Fund's presentation currency.

Financial Instruments

IFRS 9: Financial Instruments ("IFRS 9") requires assets to be carried at amortized cost or fair value, with changes in fair value recognized in profit or loss or other comprehensive income, based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets.

The Fund recognizes financial instruments at fair value upon initial recognition. Purchases and sales of financial assets are recognized at their trade date. The Fund's investments are classified at fair value through profit or loss ("FVTPL"). The Fund's obligation for net assets attributable to holders of Units is presented at the redemption amount as of the date of the statement of financial position. All other financial assets and liabilities are measured at amortized cost. The Fund's accounting policies for measuring the fair value of its investments are identical to those used in measuring its NAV for transactions with unitholders.

Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss

Classification

Financial Assets

The Fund classifies its investments in equity securities based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

These financial assets are managed and their performance is evaluated on a fair value basis. The Fund also manages these financial assets with the objective of realizing cash flows through sales. Further, an option to irrevocably designate any equity securities at fair value through other comprehensive income ("FVOCI") has not been taken.

Consequently, these financial assets are mandatorily measured at FVTPL.

Held for Trading

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition they are a part of a portfolio of identified financial instruments that the Fund manages together and has a recent actual pattern of short term profit-taking.

All derivatives are included in this category and mandatorily measured at FVTPL.

The Fund does not apply general hedge accounting to any of its derivatives positions.

Financial Assets and Financial Liabilities at Amortized Cost

The financial assets and liabilities measured at amortized cost may include cash, short-term investments, dividends receivable, interest receivable, due from brokers – investments, due to brokers – investments, accrued liabilities, accrued management fees, redemptions payable and the Fund's obligation for net assets attributable to holders of Units.

IFRS 9 requires the expected credit loss model ("ECL") as the impairment model for financial assets carried at amortized cost. At each reporting date, the Fund measures the loss allowance on cash collateral held, amounts due from broker, accrued income and other short-term receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund measures the loss allowance at an amount equal to the 12 month expected credit losses. Given the short-term nature of the receivables and their high credit quality, the Fund has determined that the expected credit loss allowances are not material.

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. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price as its valuation input for financial assets and liabilities if the last traded price falls within the bid-ask spread. In other circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value for financial reporting purposes.

The fair value of financial assets and liabilities that are not traded in an active market is determined by valuation techniques as described in Note 4.

Investment Transactions and Income

Investment transactions are accounted for on a trade date basis. Net realized gain/(loss) on investments at fair value through profit or loss and net change in unrealized gain/(loss) on investments at fair value through profit or loss are determined on an average cost basis. Realized gains and losses related to options are included in net realized gain/(loss) on options at fair value through profit or loss. Realized gains and losses relating to written options may arise from:

(i) Expiration of written options whereby realized gains are equivalent to the premium received,

(ii) Exercise of written covered call options whereby realized gains or losses are equivalent to the premium received in addition to the realized gain or loss from disposition of the related investments at the exercise price of the option, and

(iii) Closing of written options whereby realized gains or losses are equivalent to the cost of purchasing options to close the positions, net of any premium received.

Realized gains and losses relating to purchased put options may arise from:

(i) Expiration of purchased put options whereby realized losses are equivalent to the premium paid,

(ii) Exercise of purchased put options whereby realized gains or losses are equivalent to the realized gain or loss from disposition of the related investments at the exercise price of the option less the premium paid, and

(iii) Sale of purchased put options whereby realized gains or losses are equivalent to the sale proceeds, net of any premium paid.

Option premiums received are reflected as deferred credits in investments so long as the options are outstanding. Any difference resulting from revaluation is included in the net change in unrealized gain/(loss) on investments at fair value through profit or loss. The premiums received on written put options that are exercised are included in the cost of the security purchased.

Dividend income is recorded on the ex-dividend date.

Interest income is measured using the effective interest method and recorded on a daily basis.

Classification of Units

IAS 32, Financial Instruments: Presentation ("IAS 32") requires that the Fund Units (which are puttable instruments) be classified as financial liabilities.

Increase/(Decrease) in Net Assets Attributable to Holders of Units per Unit

The increase/(decrease) in net assets attributable to holders of Units per Unit is calculated by dividing the increase/(decrease) in net assets attributable to holders of Units by the weighted average number of Units outstanding during the year. Please refer to Note 11 for the calculation.

Taxation

The Fund is a "mutual fund trust" as defined in the Income Tax Act (Canada) (the "Act"). The Fund is subject to tax under Part I of the Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to unitholders in the year. Income tax paid by the Fund on any net realized capital gains not paid or payable to unitholders is recoverable by the Fund to the extent and in the circumstances provided in the Act.

Given the investment and distribution policies of the Fund and taking into account expenses, the Fund does not expect to bear any non-refundable income tax.

IAS 7 Statement of Cash Flows

IAS 7 Statement of Cash Flows ("IAS 7") requires disclosures related to changes in liabilities arising from financing activities. Units issued by the Fund are classified as financial liabilities.

A reconciliation between the opening and closing balances of the Units of the Fund is presented in the Statement of Changes in Net Assets Attributable to Holders of Units, including changes from cash flows and non-cash changes.

IFRS Accounting Standards issued but not yet adopted

The Fund will adopt the following new standard and amendments on their effective dates and is assessing the impact on the financial statements.

In April 2024, the IASB issued IFRS Accounting Standards 18: Presentation and Disclosure in the Financial Statements that will replace IAS 1: Presentation of Financial Statements. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures ("MPMs") in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted.

In May 2024, the IASB issued amendments to IFRS Accounting Standards 9: Financial Instruments and IFRS Accounting Standards 7: Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance ("ESG")-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income ("FVOCI") and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted.

4. Critical Accounting Estimates and Judgments

The preparation of financial statements requires the Manager to use judgment in applying accounting policies and to make estimates and assumptions about the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

The Fund may, from time to time, hold financial instruments that are not quoted in active markets. Fair values of such instruments are determined by using valuation models and techniques generally recognized as standard within the investment industry. These valuation methods use observable data wherever possible. Observable market data are readily available and supplied by independent sources actively involved in the relevant market. However, areas such as credit risk (both own and counterparty) and its correlations require the Manager to make estimates. Significant changes in assumptions about these factors could adversely affect the reported fair values of financial instruments. Please refer to Note 6 for a further analysis of risks associated with financial instruments.

5. Capital Disclosures

IAS 1, Presentation of Financial Statements ("IAS 1"), requires the disclosure of: (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data and qualitative information about what the entity regards as capital; (iii) whether the entity has complied with external capital requirements, if any; and (iv) if it has not complied, the consequences of such noncompliance. The Fund's objectives, policies and processes are described in Note 1, information on the Fund's units is described in Note 7 and the Fund does not have any externally imposed capital requirements.

6. Risks Associated with Financial Instruments

The Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which the Fund invests. These risks include credit risk, liquidity risk, market risk (including currency risk, interest rate risk and price risk), concentration risk and capital risk management.

Credit Risk

The Fund is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange-traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations. The Fund manages these risks through the use of various risk limits and trading strategies.

The Fund measures credit risk and lifetime ECLs related to the receivables using historical analysis and forward-looking information in determining the ECL.

The Fund is also exposed to counterparty credit risk on derivative financial instruments. The counterparty credit risk for derivative financial instruments is managed by dealing with counterparties that have a credit rating that is not below the level of approved credit ratings as set out in National Instrument 81-102 — Investment Funds ("NI 81-102"). During the year ended December 31, 2024, the short-term investments and preferred shares held by the Fund had the following credit ratings.

	December 31, 2024
AAA/Aaa/AAA/Bonds A++	7.5 %
BBB/Baa/BBB/Bonds B++	30.3 %
BB/Ba/BB/Bonds B+	30.5 %
N/R	24.5 %
% of NAV	92.8 %

During the year ended December 31, 2023, the counterparties to the Fund's derivative financial instruments had a credit rating of A-1 or higher from Standard & Poor's Ratings Services.

The Fund's derivative instruments are subject to offsetting, enforceable netting arrangements and similar agreements. The Fund and its counterparty have elected to settle all transactions on a gross basis; however, each party has the option to settle all open contracts on a net basis in the event of default of the other party. All outstanding derivatives have been presented on a gross basis on the Statement of Financial Position as derivative assets or derivative liabilities, as they do not meet the criteria for offsetting in IAS 32.

Liquidity Risk

Liquidity risk is the possibility that investments in the Fund cannot be readily converted into cash when required. To manage this risk, the Fund invests the majority of its assets in investments that are traded in an active market and which can be easily disposed. In addition, the Fund aims to retain sufficient cash and short-term investments to maintain liquidity and to meet its obligations when due.

Cash is required to fund redemptions. The Fund has a maximum of three business days to generate sufficient cash to fund redemptions.

The amounts in the table are the contractual undiscounted cash flows:

As at December 31, 2024 Financial Liabilities	On Demand	< 3 months	Total
Accrued liabilities	$ —	$ 103,894	$ 103,894
Distribution payable	—	62,702	62,702
Units	7,410,214	—	7,410,214
	7,410,214	166,596	$ 7,576,810

As at December 31, 2023 Financial Liabilities	On Demand	< 3 months	Total
Accrued liabilities	$ —	$ 45,314	$ 45,314
Distribution payable	—	43,750	43,750
Units	6,408,922	—	6,408,922
	$ 6,408,922	$ 89,064	$ 6,497,986

Market Risk

The Fund'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 following include sensitivity analyses that show how the net assets attributable to holders of Units would have been affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice, the actual results may differ and the differences could be material.

(a) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The portfolio includes securities and options denominated in foreign currencies. The net asset value of the Fund and the value of the dividends and option premiums received by the Fund will be affected by fluctuations in the value of the foreign currencies relative to the Canadian dollar. The Fund uses forward exchange contracts, from time to time, to actively hedge all or the majority of its foreign currency exposure.

The table below indicates the foreign currencies to which the Fund had significant exposure as at December 31, 2024 and 2023 in Canadian dollar terms, and the notional amounts of forward exchange contracts. The table also illustrates the potential impact on the net assets attributable to Units if the Canadian dollar had strengthened or weakened by 5 percent in relation to each of the other currencies, with all other variables held constant.

	As at December 31, 2024 U.S. Currency Exposure			Impact on Net assets Attributable to Holders of Class A Shares and Redeemable Preferred Shares		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
	5,279	—	5,279	264	—	264
% of Net Assets Attributable to Holders of Redeemable Preferred Shares	0 %	0 %	0 %	0 %	0 %	0 %

	As at December 31, 2023 U.S. Currency Exposure			Impact on Net assets Attributable to Holders of Class A Shares and Redeemable Preferred Shares		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
	(5,224,063)	5,817,636	593,573	(261,203)	290,882	29,679
% of Net Assets Attributable to Holders of Redeemable Preferred Shares	-82 %	91 %	9 %	-4 %	5 %	1 %

(b) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the net assets attributable to holders of Units. The Fund is not exposed to this risk.

(c) Price Risk

Price 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 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 segment. The Fund's most significant exposure to price risk arises from its investments in equity securities. Net assets per unit varies as the value of the securities in the Fund varies. The Fund has no control over the factors that affect the value of the securities in the Fund, including factors that affect all the companies in the investment sector.

The Fund's price risk is managed by taking a long-term perspective and utilizing an option writing program, as well as by the use of purchased put options. Approximately 94 percent (2023 – 91 percent) of the Fund's net assets attributable to holders of Units were publicly traded equities. If equity prices on the exchange increased or decreased by 5 percent as at December 31, 2024, the net assets attributable to holders of Units would have increased or decreased by $0.3 million (2023 – $0.3 million) or 4.7 percent (2023 – 4.5 percent) of the net assets attributable to holders of Units with all other factors remaining constant. In practice, actual trading results may differ and the difference could be material.

The Manager believes that a portfolio that is subject to covered call option writing or purchased put options should provide a degree of protection against falling share prices in a downward trending market.

Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk as at December 31, 2024:

	Dec. 31, 2024	Dec. 31, 2023
Canadian Preferred Shares	91.0 %	—
Exchange-Traded Funds	9.0 %	—
Health Care	—	100.0 %
	100.0 %	100.0 %

Fair Value Measurement

The Fund classifies fair value measurement within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities,

Level 2: Inputs, other than quoted prices in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and

Level 3: Inputs that are based on unobservable market data.

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognized in the period they occur.

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at December 31, 2024 and 2023.

As at December 31, 2024	Level 1	Level 2	Level 3	Total
Canadian Preferred Shares	$ 6,322,115	$ —	$ —	$ 6,322,115
Exchange-Traded Funds	625,800	—	—	625,800
Short-Term Investments	—	552,181	—	552,181
	$ 6,947,915	$ 552,181	$ —	$ 7,500,096

As at December 31, 2023	Level 1	Level 2	Level 3	Total
United States Common Shares	$ 5,526,943	$ —	$ —	$ 5,526,943
Non-North American Common shares	290,693	—	—	290,693
Forward Exchange Contracts	—	231,980	—	231,980
Options	(6,712)	—	—	(6,712)
	$ 5,810,924	$ 231,980	$ —	$ 6,042,904

The carrying values of cash, dividends receivable, accrued liabilities, accrued management fees, and the Fund's obligation for net assets attributable to Units approximate their fair values due to their short-term nature.

(a) Equities

The Fund's equity positions are classified as Level 1 as equity securities are actively traded and a reliable quoted price is observable.

(b) Derivative Assets and Liabilities

Derivative liabilities consist of forward exchange contracts. Forward exchange contracts are valued as the gain or loss that would be realized if, on the valuation date, the position in the forward exchange contracts was to be closed out. Forward exchange contracts for which the credit risks are determined not to be significant to fair value have been classified as Level 2.

There were no transfers between Level 1 and Level 2 and the Fund did not hold any financial instruments within Level 3 of the fair value hierarchy during 2024 and 2023.

7. Borrowings

The Fund is an "alternative mutual fund", as defined in NI 81-102, and is therefore permitted to lever its assets per the restrictions outlined in NI 81-102. The Fund measures leverage in terms of the total underlying notional value of the securities as a ratio of the total assets held. Although NI 81-102 allows the use of leverage of up to three times NAV, the Fund does not exceed approximately one and one quarter times NAV. In order to ensure that a unitholder's risk is limited to the capital invested, the Fund's leverage is rebalanced in certain circumstances and when the leverage breaches certain bands. The Fund did not lever its assets during either period presented.

8. Units

The Fund is authorized to issue an unlimited number of Units, each of which represents an undivided interest in the assets of the Fund.

Units are redeemable for cash equal to the lesser of 95 percent of the market price of units on the Toronto Stock Exchange ("TSX") on the effective date and the NAV per Unit on the redemption effective date. Distributions are made to unitholders in the Manager's sole discretion and are intended to equal, on an annual basis, the total of the Fund's income and realized capital gains to ensure that the Fund will not be liable for income tax.

During the year ended December 31, 2024, 252,454 Units (2023 – 749,999 Units) were issued for proceeds of $3,730,974 (2023 – $7,362,529).

During the year ended December 31, 2024, 250,000 Units were redeemed for total retraction value of $2,014,948. No Units were redeemed during the prior year.

During the year ended December 31, 2024, cash distributions paid to unitholders were $584,781 (2023 – $446,247), representing a payment of $0.72 (2023 – $0.64) per Unit.

9. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

(a) Management Fees

Mulvihill, as Manager under the terms of the Management Agreement and as Investment Manager under the terms of the Investment Management Agreement, receives a management fee payable at an annual rate of 0.65 percent of the Fund's net asset value, calculated monthly, plus applicable taxes. The Fund is responsible for all ongoing custodian, manager, legal, accounting and audit fees as well as all other expenses incurred by the Manager in the ordinary course of business relating to the Fund's operations.

The Manager has waived management fees until assets under management reach a discretionary threshold.

(b) Independent Review Committee Fees

Total remuneration paid to the external members of the Independent Review Committee for the year ended December 31, 2024 was $12,832 (2023 – $10,220).

(c) Investment in other Mulvihill Funds

The Fund may invest in units of other funds managed by the Manager. At December 31, 2024, the Fund's ownership interest in Premium Global Income Split Corp. Preferred was 0.18 percent, in Premium Global Income Split Corp. Class A was 3.40 percent and in Premium Income Corp. Preferred was 0.22 percent. The Fund held no other funds managed by Mulvihill at December 31, 2023.

10. Brokerage Commissions and Soft Dollars

The Manager may select brokerages who charge a commission in soft dollars if they determine in good faith that the commission is reasonable in relation to the order execution and research services utilized. The ascertainable soft dollar value received as a percentage of total transaction fees paid during the years ended December 31, 2024 and 2023 is disclosed below:

	Dec. 31, 2024	Dec. 31, 2023
Soft Dollars	$ 4,084	$ 682
Percentage of Total Transaction Fees	21.6 %	14.0 %

11. Decrease in Net Assets Attributable to Holders of Units

The decrease in net assets attributable to holders of Units per Unit for the years ended December 31, 2024 and 2023 is calculated as follows:

	Dec. 31, 2024	Dec. 31, 2023
Decrease in Net Assets Attributable to Holders of Units	$(129,953)	$(507,370)
Weighted Average Number of Units Outstanding during the Year	806,152	682,530
Decrease in Net Assets Attributable to Holders of Units per Unit	$ (0.1612)	$ (0.7434)

12. Audit Fees

During the year, fees paid or payable to Deloitte LLP for the audit of the financial statements of the Fund were $36,737 (2023 – $15,000) and fees for other services were $56,644 (2023 – $37,204).

13. Income Taxes

No amount is payable on account of income taxes in 2024 and 2023.

Accumulated non-capital losses of approximately $0.4 million (2023 – $0.2 million) and accumulated capital losses of approximately $0.4 million (2023 – $0.4 million) are available for utilization against net investment income and realized gains on sale of investments, respectively, in future years. The capital losses can be carried forward indefinitely. The non-capital losses expire in 2043.

Directors and Independent Review Committee

John Mulvihill
Director
Chairman & CEO
Mulvihill Capital Management Inc.

John P. Mulvihill
Director
President
Mulvihill Capital Management Inc.

John D. Germain
Director
Senior Vice-President & Chief Financial Officer
Mulvihill Capital Management Inc.

Dr. Robert Bell
Independent Review Committee Member

Robert G. Bertram
Independent Review Committee Member

R. Peter Gillin
Independent Review Committee Member

Information

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Bay Adelaide Centre, East Tower
8 Adelaide Street West, Suite 200
Toronto, Ontario
M5H 0A9

Registrar:
TSX Trust Company
301-100 Adelaide Street West
Toronto, Ontario
M5H 4H1

Custodian:
RBC Investor Services Trust
RBC Centre
155 Wellington Street West, 2nd Floor
Toronto, Ontario
M5V 3L3

Visit our website at www.mulvihill.com for additional information on all Mulvihill Investment Funds.

Investment Funds Managed by Mulvihill Capital Management Inc.

EXCHANGE-TRADED FUNDS

Mulvihill Canadian Bank Enhanced Yield ETF (CBNK)
Mulvihill Enhanced Split Preferred Share ETF (SPFD)
Mulvihill Premium Yield Fund ETF (MPY)

MUTUAL FUNDS

Mulvihill Premium Yield Fund

SPLIT SHARES

Premium Income Corporation (PIC.PR.A/PIC.A)
Premium Global Income Split Corp. (PGIC.PR.A/PGIC)

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