



2022 ANNUAL REPORT

**MIDDLEFIELD  
INNOVATION**  
DIVIDEND ETF



## MIDDLEFIELD CORPORATE PROFILE

The Middlefield Group was established in 1979 and is a Specialty Investment Manager which creates investment products designed to balance risk and return to meet the demanding requirements of Financial Advisors and their clients. These financial products include Exchange-Traded Funds, Mutual Funds, Private and Public Resource Funds, Split Share Corporations, Venture Capital Assets, TSX Publicly Traded Funds and Real Estate Investment Funds and Partnerships.

Middlefield's investment team comprises portfolio managers, analysts and traders. While all of our investment products are designed and managed by Middlefield professionals, some involve strategic partnerships with other "best-in-class" firms that bring unique value to our product offerings. In 2014, we entered into an exclusive arrangement with SSR, LLC, based in Stamford, Connecticut. They provide specialized research into sectors of the economy such as Healthcare and Innovation Technology. SSR is an independent investment firm whose analysts have been highly ranked and are recognized as leaders in their respective fields. Their fundamental company level research is often non-consensus and provides guidance on overall portfolio construction and security selection.

Looking ahead, Middlefield remains committed to managing and developing new and unique investment products to assist Financial Advisors in helping clients achieve their investment objectives.

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### A NOTE ON FORWARD LOOKING STATEMENTS

This document may contain forward looking statements, including statements regarding: the Fund, its strategies, goals and objectives; prospects; future performance or condition; possible future actions to be taken by the Fund; and the performance of investments, securities, issuers or industries in which the Fund may from time to time invest. Forward looking statements include statements that are predictive in nature, that depend upon or refer to future results, events, circumstances, expectations and performance, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and other similar wording. Forward looking statements are not historical facts, but reflect the Fund's current beliefs as of the date of this document regarding future results, events, circumstances, expectations or performance 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 results, events, circumstances, expectations or performance could differ materially from those expressed or implied in any forward looking statements contained in this document. Factors which could cause actual results, events, circumstances, expectations or performance to differ materially from those expressed or implied in forward looking statements include, but are not limited to: general economic, political, market and business factors and conditions; commodity price fluctuations; interest and foreign exchange rate fluctuations; global equity and capital markets; the financial condition of each issuer in which the Fund invests; the effects of competition in the industries or geographic areas in which the Fund may invest; statutory and regulatory developments; unexpected judicial or regulatory proceedings; and catastrophic events. Readers are cautioned that the foregoing list of factors is not exhaustive and to avoid placing undue reliance on forward looking statements due to the inherent uncertainty of such statements. The Fund does not undertake, and specifically disclaims, any obligation to update or revise any forward looking statements, whether as a result of new information, future developments, or otherwise.



## 2022 REVIEW AND OUTLOOK

2022 was a challenging year for equity investors. The S&P 500, MSCI World Index and TSX Composite generated total returns of -18.1%, -17.7% and -5.8%, respectively. Global central banks enacted aggressive interest rate hikes to combat the highest inflation in decades, sending both stocks and bonds lower in tandem. 2022 marked the first year where both the US 10-year Treasury note and the S&P 500 Index lost more than 10% on a total-return basis in a given calendar year.

Index returns were consistent with the ubiquitous trend of value outperforming growth in 2022. In the US, value topped growth by more than 20% (-9.6% vs. -29.8%) while the Canadian market, which has a higher concentration in cyclical and value stocks relative to the S&P 500, outperformed the US by more than 12%. Energy (+65.4%) and utilities (+1.6%) were the only two sectors in the S&P 500 that were able to generate positive returns, while communication services (-39.9%), consumer discretionary (-37%) and information technology (-28.2%) experienced outsized impacts from rising rates and growing concerns of recession. The biggest driver of underperformance for the latter group was multiple compression. Despite rampant inflation and ongoing supply chain issues, S&P 500 earnings were relatively resilient throughout the year. Conversely, average forward price to earnings multiples for the S&P 500 declined by more than 20% which dragged stock prices lower, especially for higher multiple stocks.

Russia's invasion of Ukraine, China's zero-COVID policy and hawkish Fed policy created macro headwinds which culminated in decades-high inflation. These events sent shockwaves throughout the global economy and cast a shadow of uncertainty over the market. Fortunately, many of the headwinds that plagued markets in 2022 are quickly becoming tailwinds for 2023. Inflation is trending lower in most countries as energy, freight and housing prices come down. China has made a notable pivot away from its zero-COVID stance; a development that should ease supply chain constraints and boost global demand. The US dollar Index, which appreciated nearly 9% in 2022, is expected to normalize in 2023 and result in less FX-related earnings headwinds. On balance, we believe the macro outlook is improving and investors will focus more on company-specific fundamentals this year.

In terms of market risks, we are closely following several unresolved issues that have the potential to stall a market recovery. Ongoing geopolitical tensions, persistent tightness of the labour market and elevated consumer debt warrant particular attention. We are cognizant of valuations against this backdrop and remain cautious on more expensive areas of the market.

Our equity income strategies emphasize companies that can maintain or expand margins in the current environment to support dividend growth. We are focused on companies with strong balance sheets that can withstand an economic slowdown as well as opportunistically pursue M&A. This includes sectors where cash flows are underpinned by long-term contracts such as real estate and infrastructure or those with inelastic demand such as healthcare and select areas of technology. In addition, we remain committed to incorporating sustainability principles and ESG data into our investment process, particularly in our suite of sustainable equity mandates.

**Middlefield Healthcare Dividend ETF and Middlefield Health & Wellness ETF** were defensively positioned throughout the year, which contributed to their outperformance. In 2022, the funds generated total returns of -0.7% and -3.9%, respectively, while its benchmark, MSCI World Health Care Index, generated a total return of -5% in local currency. Healthcare companies have defensive attributes as they sell needs-based products that benefit from inelastic demand. The sector tends to outperform during periods of economic uncertainty due to its steady demand and insulation from discretionary consumer spending. We expect healthcare companies to perform well again in 2023, particularly those that sell into rapidly growing addressable markets such as obesity, cardiology and diabetes.

In 2022, the real estate sector underperformed the broader market, generating total returns of -21.5% in Canada and -26.2% in the US while Middlefield Real Estate Dividend ETF generated a total return of -21.9%. The rapid and significant rise in interest rates, a widening of credit spreads and concerns about a recession took their toll on real estate sentiment and valuations in 2022. As a result, discounts to NAV are near historic highs which positions the sector attractively for 2023. Moreover, with inflation moderating alongside a softening economic growth outlook, the rise in long-term bond yields should be limited. Despite a slowing economy, we expect REIT earnings to remain largely intact this year due to the contractual nature of rental income and extensive mark-to-market rent opportunities.

**Mint Income Fund** provides an actively managed, high conviction portfolio of primarily equity-income securities in North America. Since its inception in 1997, it has outperformed the S&P 500 and S&P/TSX Composite on a total return basis. In 2022, the fund generated a total return of 8.5%, significantly outperforming the S&P 500 and S&P/TSX Composite total returns of -18.1% and -5.8%, respectively. We have a positive outlook on companies with an established track record of sustainable and consistent dividend growth this year and expect the fund to continue generating attractive total returns for investors.

## MIDDLEFIELD TSX-LISTED FUNDS |

The Middlefield Family of exchange-listed funds is currently comprised of 17 funds, 16 of which trade on the Toronto Stock Exchange and one of which is based in Jersey, Channel Islands and trades on the London Stock Exchange. The fund mandates differ by asset mix including both Canadian and International equity securities.

We continue to see a wealth of long-term opportunities for Middlefield Innovation Dividend ETF in companies with established business models, attractive free cash flow profiles and reasonable valuations. The tech sector underperformed in 2022 with the S&P 500 information technology sector generating a total return of -28.2%. We view this correction as a pricing adjustment on valuations, driven by higher interest rates, but continue to believe multiple growth drivers remain intact. These include cloud migration, software for productivity and increasing semiconductor demand across end markets. Leading players within these verticals are high quality in nature and have many cost levers at their disposal to protect margins.

**Middlefield Sustainable Infrastructure Dividend ETF, International Clean Power Dividend Fund and Global Real Asset Fund** provide exposure to high-quality global infrastructure companies. Infrastructure assets generate stable and predictable cash flows due to their long-term contracts which underpin consistent income streams for investors. The long-term outlook for infrastructure improved in 2022. Build Back Better, the Inflation Reduction Act and RePowerEU represent three monumental pieces of infrastructure-related legislation that will drive trillions in infrastructure spending over the coming years. In addition, the Russia-Ukraine war elevates the issue of energy security and underscores the need for investments in energy infrastructure. Due to increasingly ambitious climate goals, many of these investments will likely take place in the fields of clean energy, energy efficiency and grid modernization.

**E Split Corp. – Class A** shares generated a total return of 17.5% in 2022. Geopolitical tensions brought energy security to the forefront of global priorities this year. North American energy offers a logical solution to displaced Russian supply and Enbridge provides unique exposure to this opportunity. Several liquified natural gas (LNG) terminals are currently under construction on the US Gulf coast which should more than double North America's export capacity over the next 5 years. This additional export capacity will require significant investments in gathering, processing and transportation infrastructure to bring molecules from the ground to coastal terminals. Enbridge is extremely well positioned to benefit from the growth capital that will be invested over the coming years.

### Outlook

We hold a cautiously optimistic view for 2023 and expect positive market returns this year. In light of the growing possibility of a mild recession, we believe earnings estimates to start the year are too high and vulnerable to negative revisions. That said, markets are forward-looking and partially priced in slower economic and earnings growth during 2022. Markets also typically bottom six to nine months before earnings trough. We expect a market bottom to form in the first half of 2023 with better performance expected in the latter half as the market looks ahead to rebounding earnings during 2024. We anticipate opportunities to arise in areas we are currently underweight and intend to opportunistically add to our highest long-term conviction growth names on weakness. We prefer value over growth in the short-term with an emphasis on quality factors.

We believe equity income-based strategies are positioned to outperform in 2023 as the current central bank tightening cycle nears completion and the market grapples with recession risks. Dividend-paying stocks, and dividend-growers in particular, typically outperform non-dividend payers during periods of declining inflation and after the end of central bank tightening cycles. In 2022, dividends per share in the TSX Composite were up nearly 18% in nominal terms and 10% in real terms. Dividend growth is a core tenet of our investment strategy and we expect further dividend increases in 2023. Our core holdings in dividend-payers should provide greater stability during this period of market uncertainty while enhancing total returns from consistent income.



**Dean Orrico**  
President and CEO  
Middlefield Capital Corporation



**Robert F. Lauzon**  
Managing Director and Chief Investment Officer  
Middlefield Capital Corporation



# ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

FOR THE YEAR ENDED DECEMBER 31, 2022

This annual management report of fund performance contains financial highlights and should be read in conjunction with the complete audited annual financial statements of the investment fund that follow this report.

Unitholders may contact us by calling 1-888-890-1868, by writing to us at Middlefield Group at one of the addresses on the back cover or by visiting our website at [www.middlefield.com](http://www.middlefield.com) to request a copy of the investment fund's annual financial statements, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

## Management's Discussion of Fund Performance

### Investment Objectives and Strategies

The investment objectives of Middlefield Innovation Dividend ETF are to provide holders of units with: (i) stable monthly cash distributions; and (ii) enhanced long-term total return through capital appreciation of the Fund's investment portfolio through an investment strategy that focuses primarily on investing in dividend-paying securities of global issuers operating in, or that derive a significant portion of their revenue or earnings from, the development or commercialization of products or services related to major technological innovations.

### Risk

The Fund is exposed to several risks that may affect its performance. The overall risk of the Fund is as described in its prospectus dated March 9, 2022. During the past year, the overall risk level of the Fund may have been impacted as follows:

### Market Risk

Market risk describes the Fund's exposure to volatility in the market value of its underlying securities. Equity markets continue to exhibit volatility due to macroeconomic uncertainties, ongoing global trade disputes, as well as the uncertain impact from the ongoing conflict in Ukraine. The Fund seeks to mitigate risk through active management and portfolio diversification.

### Results of Operations

#### Investment Performance

During 2022, the net assets of the Fund increased to \$51.0 million at December 31, 2022 from \$45.2 million at December 31, 2021. On a per unit basis, the net assets of the Fund decreased from \$17.42 at December 31, 2021 to \$11.36 at December 31, 2022. The Fund recorded a net loss on its investment portfolio of approximately \$23.2 million or \$4.95 per unit during the year.

### Revenue and Expenses

Loss before expenses for the year ended December 31, 2022 amounted to \$22.7 million, down from revenue of \$7.7 million in 2021 as a result of a change in unrealized losses on the Fund's portfolio investments. Operating expenses for the year ended December 31, 2022 amounted to \$1.0 million, up from \$0.7 million in 2021. The operating expenses contributed to the management expense ratio ("MER") of 1.52% in 2022, down from 1.58% in 2021. As a result, loss after tax amounted to \$23.7 million or \$5.05 per unit, down from a profit of \$6.9 million or \$2.44 per unit in the prior year. Distributions for the year ended December 31, 2022 amounted to \$0.40 per unit.

### Trends

The tech sector underperformed in 2022 with the S&P 500 information technology sector generating a total return of -28.2%.

### Related Party Transactions

Pursuant to a management agreement, Middlefield Limited (the "Manager") receives a management fee. For further details, please see the "Management Fees" section of this report. Middlefield Capital Corporation ("MCC" or the "Advisor"), the advisor to the Fund and a company under common control with the Manager, receives advisory fees from the Manager out of the management fee. MCC also receives brokerage commissions from the Fund in connection with securities transactions. All brokerage commissions paid by the Fund to MCC were at or below market rates. For further details, please see the notes to the financial statements.

### Management Fees

Management fees are calculated at 0.9% per annum of the net asset value of the Fund and are split between the Manager and the Advisor. The Manager receives fees for the general administration of the Fund, including maintaining the accounting records, executing securities trades, monitoring compliance with regulatory requirements, and negotiating contractual agreements, among other things. The Advisor receives fees from the Manager for providing investment advice in respect of the portfolio in accordance with the investment objectives and strategies of the Fund.

# ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

## FOR THE YEAR DECEMBER 31, 2022

### Recent Developments

On January 23, 2023, the Manager of the Fund announced that Workplace Technology Dividend Fund (TSX: WORK.UN) will merge into the Fund. The merger is expected to be completed on or about May 17, 2023, with the Fund being the continuing entity following the merger.

### Credit Facility

The Fund had a revolving demand credit facility that enabled the Fund to borrow up to an amount not exceeding 25% of total assets. At December 31, 2022, the Fund had a loan payable in the amount of \$nil, representing approximately nil% of total assets. The minimum and maximum amounts borrowed during 2022 were \$nil and \$7.5 million, respectively. The loan proceeds were used primarily to purchase securities for the investment portfolio. The credit facility provided the lender with a security interest over the assets of the Fund. The Fund terminated the credit facility in advance of its conversion to an ETF.

### Financial Highlights

Net Assets are calculated in accordance with International Financial Reporting Standards ("IFRS").

"Net Asset Value" is calculated in accordance with section 14.2 of National Instrument 81-106 "Investment Fund Continuous Disclosure" ("NI 81-106") and is used for transactional pricing purposes.

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the indicated years. Ratios and Supplemental Data are derived from the Fund's Net Asset Value.

# ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

FOR THE YEAR ENDED DECEMBER 31, 2022

The Fund's Net Assets per Unit<sup>(1)</sup>

	2022	2021	2020	2019	2018 <sup>(3)</sup>
Net Assets, Beginning of Year	\$ 17.42	\$ 15.26	\$ 10.76	\$ 9.37	\$ 9.49*
<b>INCREASE (DECEREASE) FROM OPERATIONS:</b>					
Total Revenue	0.11	0.11	0.11	0.18	0.18
Total Expenses (excluding distributions)	(0.20)	(0.25)	(0.22)	(0.20)	(0.17)
Realized (Losses) Gains for the Year	(1.00)	2.22	1.60	0.85	0.01
Unrealized (Losses) Gains for the Year	(3.95)	0.37	3.09	0.82	0.15
Transaction Costs on Purchase and Sale of Investments	(0.01)	(0.01)	(0.02)	(0.03)	(0.03)
<b>TOTAL (DECREASE) INCREASE FROM OPERATIONS<sup>(2)</sup></b>	<b>(5.66)</b>	2.56	4.90	1.79	0.08
<b>DISTRIBUTIONS:</b>					
From Net Investment Income	-	-	-	-	0.01
From Capital Gains	-	0.40	0.40	0.40	-
Return of Capital	0.40	-	-	-	0.19
<b>TOTAL DISTRIBUTIONS<sup>(4)</sup></b>	<b>0.40</b>	0.40	0.40	0.40	0.20
Net Assets, End of Year	\$ 11.36	\$ 17.42	\$ 15.26	\$ 10.76	\$ 9.37

<sup>(1)</sup> This information is derived from the Fund's audited financial statements.

<sup>(2)</sup> Net Assets 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 year. This schedule is not a reconciliation of Net Assets since it does not reflect unitholder transactions as shown on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and accordingly columns may not add.

<sup>(3)</sup> For the period March 23, 2018 (date of commencement of operations) to December 31, 2018.

<sup>(4)</sup> Distributions were paid in cash/reinvested in additional units of the Fund, or both.

\*Initial issue price, net of agents' fees and initial issue costs.

## Ratios and Supplemental Data

	2022	2021	2020	2019	2018 <sup>(5)</sup>
Total Assets (000s) <sup>(1)</sup>	\$ 51,307	\$ 52,869	\$ 47,879	\$ 51,281	\$ 74,459
Total Net Asset Value (000s) <sup>(1)</sup>	\$ 51,037	\$ 45,172	\$ 44,691	\$ 41,945	\$ 68,923
Number of Units Outstanding <sup>(1)</sup>	4,493,834	2,592,610	2,928,289	3,898,152	7,354,500
Management Expense Ratio ("MER") <sup>(2)</sup>	1.52%	1.58%	1.70%	1.76%	7.89%
MER (excluding interest expense and issuance costs) <sup>(2)</sup>	1.51%	1.46%	1.53%	1.41%	1.74%
Trading Expense Ratio <sup>(3)</sup>	0.12%	0.05%	0.16%	0.24%	0.42%
Portfolio Turnover Rate <sup>(4)</sup>	145.69%	51.44%	63.67%	77.66%	77.02%
Net Asset Value per Unit	\$ 11.36	\$ 17.42	\$ 15.26	\$ 10.76	\$ 9.37

<sup>(1)</sup> This information is provided as at December 31 of the year shown.

<sup>(2)</sup> The MER is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average Net Asset Value during the year. The MER excluding interest expense and issuance costs has been presented separately as it expresses only the ongoing management and administrative expenses of the Fund as a percentage of average Net Asset Value. Issuance costs are one-time costs incurred at inception, and the inclusion of interest expense does not consider the additional revenues that have been generated from the investment of the leverage in income-generating assets.

<sup>(3)</sup> 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.

<sup>(4)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio investments are managed. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

<sup>(5)</sup> As at December 31, 2018 or for the period March 23, 2018 (date of commencement of operations) to December 31, 2018.



# ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

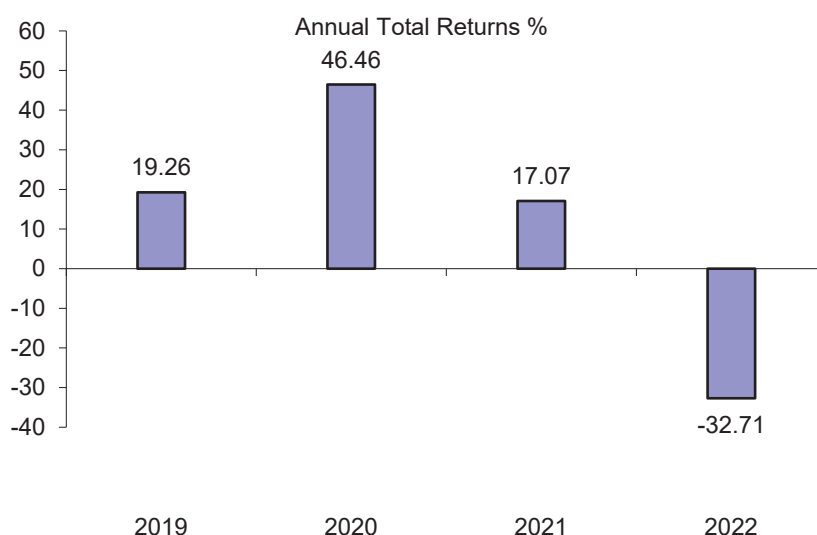
## FOR THE YEAR DECEMBER 31, 2022

### Past Performance

The performance information shown, which is based on Net Asset Value, assumes that all distributions paid by the Fund in the year shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

### Year-By-Year Returns

The bar chart shows how the Fund's performance has varied from year to year for each of the years shown. The return for 2018 is not presented since it relates to a partial period. The chart indicates, in percentage terms, how much an investment made the first day of the financial year would have grown or decreased by the last day of the financial year.



	Periods Ended December 31, 2022		
	One Year	Three Years	Since Inception
Middlefield Innovation Dividend ETF	-32.71%	4.87%	7.08%
NASDAQ Technology Dividend Total Return Index	-16.33%	7.88%	11.19%

The NASDAQ Technology Dividend Total Return Index includes up to 100 Technology and Telecommunications companies that pay a regular or common dividend.

The Fund's total return of -32.71% underperformed the returns generated by the Index. The Fund's performance in 2022 was influenced by its weighting in growth-oriented technology securities.

# ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

FOR THE YEAR ENDED DECEMBER 31, 2022

## Summary of Investment Portfolio

AS AT DECEMBER 31, 2022

Top Twenty-Five Holdings

DESCRIPTION	% OF NET ASSET VALUE
1 Motorola Solutions Inc.	5.6
2 Merck & Co., Inc.	5.1
3 Constellation Software Inc.	5.0
4 Abbvie Inc.	4.7
5 PepsiCo Inc.	4.6
6 Visa Inc.	4.4
7 ASML Holding NV	3.9
8 Broadcom Inc.	3.9
9 Microsoft Corporation	3.8
10 Deutsche Telekom AG	3.7
11 Apple Inc.	3.4
12 Alphabet Inc.	3.4
13 Amazon.com, Inc.	3.3
14 Genuine Parts Co.	3.0
15 Synopsys Inc.	2.5
16 Advanced Micro Devices Inc.	2.2
17 Juniper Networks Inc.	2.1
18 Enphase Energy Inc.	2.1
19 Verra Mobility Corp.	1.8
20 Cboe Global Markets Inc.	1.8
21 AT&T Inc.	1.7
22 Booking Holdings Inc.	1.6
23 Verizon Communications Inc.	1.6
24 Netflix, Inc.	1.6
25 NextEra Energy Inc.	1.6

"Top Twenty-Five Holdings" excludes any temporary cash investments.

ASSET CLASS	% OF NET ASSET VALUE
Technology	46.8
Communication Services	13.4
Healthcare	11.8
Consumer Discretionary	10.7
Consumer Staples	4.6
Financials	2.8
Industrials	2.2
Utilities	1.5
Energy	0.8
Real Estate	0.6
Cash and Short-Term Investments	5.2
Net Liabilities	(0.4)
	100.0

TOTAL NET ASSET VALUE \$ 51,037,316

TOTAL ASSETS \$ 51,306,940

The Summary of Investment Portfolio may change over time due to ongoing portfolio transactions. Please visit [www.middlefield.com](http://www.middlefield.com) for the most recent quarter-end Summary of Investment Portfolio.

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements Middlefield Innovation Dividend ETF (the "Fund") have been prepared by Middlefield Limited (the "Manager"), the manager of Fund and approved by the Board of Directors. The Manager is responsible for the information and representations contained in these financial statements and other financial information contained in this report. The Manager maintains appropriate procedures to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates



Jeremy Brasseur  
Director

and judgments. The significant accounting policies applicable to the Fund are described in the notes to the financial statements. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements.

Deloitte LLP is the external auditor of the Fund. They have audited the financial statements of the Fund in accordance with Canadian generally accepted auditing standards to enable them to express to unitholders their opinion on the financial statements.



Craig Rogers  
Director

## INDEPENDENT AUDITOR'S REPORT

To the Unitholders of  
Middlefield Innovation Dividend ETF (the "Fund")

### Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies (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, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

### 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
- 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 and the Annual Report 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, 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 Michael Darroch.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
Toronto, Ontario  
March 24, 2023

**FINANCIAL  
STATEMENTS**





# FINANCIAL STATEMENTS

## Statements of Financial Position

AS AT DECEMBER 31  
(In Canadian Dollars)

2022

2021

### ASSETS

#### Current Assets

Investments at Fair Value through Profit or Loss	\$ 48,594,631	\$ 50,940,882
Cash	2,667,468	1,901,474
Income and Interest Receivable	44,692	6,929
Prepaid Interest	-	3,469
Accounts Receivable	150	16,015
<b>Total Assets</b>	<b>51,306,941</b>	<b>52,868,769</b>

### LIABILITIES

#### Current Liabilities

Loan Payable (Note 11)	-	7,500,000
Distribution Payable (Note 14)	148,297	85,625
Accounts Payable and Accrued Liabilities	121,328	111,385
<b>Total Liabilities (excluding Net Assets Attributable to Holders of Redeemable Units)</b>	<b>269,625</b>	<b>7,697,010</b>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<b>\$ 51,037,316</b>	<b>\$ 45,171,759</b>
<b>Redeemable Units Outstanding (Note 7)</b>	<b>4,493,834</b>	<b>2,592,610</b>
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>	<b>\$ 11.36</b>	<b>\$ 17.42</b>

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

Approved by the Board of Directors of Middlefield Limited, as Manager:



Director: Jeremy Brasseur



Director: Craig Rogers

# FINANCIAL STATEMENTS

## Statements of Comprehensive Income

FOR THE YEARS ENDED DECEMBER 31

(In Canadian Dollars)

	2022	2021
<b>REVENUE (LOSS)</b>		
Income from Investments	\$ 512,716	\$ 298,186
Interest Income for Distribution Purposes	18,168	7,942
Foreign Exchange Loss on Cash	(40,738)	(167,334)
<b>Other Changes in Fair Value of Financial Assets and Financial Liabilities at Fair Value through Profit or Loss</b>		
Net Realized (Loss) Gain from Investment Transactions	(4,666,074)	6,479,237
Change in Net Unrealized (Loss) Gain on Investments	(18,526,646)	922,431
Change in Net Unrealized Gain on Foreign Currency Transactions	1,538	140,293
<b>Total (Loss) Revenue</b>	<b>(22,701,036)</b>	<b>7,680,755</b>
<b>OPERATING EXPENSES (Note 8)</b>		
Advisory fees	51,368	37,044
Audit Fees	25,348	33,978
Custodial Fees	7,567	5,363
Fund Administration Costs	154,528	102,434
Legal Fees	23,909	-
Management Fee	583,072	443,508
Transaction Costs (Note 9)	68,759	20,482
Unitholder Reporting Costs	43,899	29,755
<b>Total Operating Expenses</b>	<b>958,450</b>	<b>672,564</b>
Finance Costs (Note 11)	7,997	54,538
<b>Total Expenses</b>	<b>(23,667,483)</b>	<b>6,953,653</b>
Withholding Taxes	52,501	15,290
(Decrease) Increase in Net Assets Attributable to Holders of Redeemable Units	\$ (23,719,984)	\$ 6,938,363
(Decrease) Increase in Net Assets Attributable to Holders of Redeemable Units per Unit (Note 7)	\$ (5.05)	\$ 2.44

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

## FINANCIAL STATEMENTS

### Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

FOR THE YEARS ENDED DECEMBER 31

(In Canadian Dollars)

	2022	2021
Net Assets Attributable to Holders of Redeemable Units at Beginning of Year	\$ 45,171,759	\$ 44,691,293
(Decrease) Increase in Net Assets Attributable to Holders of Redeemable Units	(23,719,984)	6,938,363
Distributions to Unitholders	(1,896,403)	(1,111,601)
Repurchase of Trust Units	(123,495)	(1,280,492)
Payment on Redemption of Trust Units	(19,349,223)	(5,161,605)
Proceeds from Issue of Trust Units	50,954,662	1,095,801
Net Assets Attributable to Holders of Redeemable Units at End of Year	\$ 51,037,316	\$ 45,171,759

### Statements of Cash Flows

FOR THE YEARS ENDED DECEMBER 31

(In Canadian Dollars)

	2022	2021
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
(Decrease) Increase in Net Assets Attributable to Holders of Redeemable Units	\$ (23,719,984)	\$ 6,938,363
Adjustments:		
Purchases of Investments	(105,559,930)	(24,545,925)
Proceeds from Sale of Investments	84,713,461	25,762,247
Foreign Exchange Loss	39,200	27,041
Net Realized Loss (Gain) from Investment Transactions	4,666,074	(6,479,237)
Change in Net Unrealized Loss (Gain) on Investments	18,526,646	(922,431)
	(21,334,533)	780,058
Net Change in Non-Cash Working Capital	(11,955)	73,979
Net Cash (used in) from Operating Activities	(21,346,488)	854,037
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Proceeds from Issue of Trust Units	50,954,662	1,095,801
Repurchase of Trust Units	(123,495)	(1,280,492)
Payment on Redemption of Trust Units	(19,349,223)	(5,161,605)
Proceeds from Loans	3,469	42,945,196
Repayment of Loans	(7,500,000)	(38,500,000)
Distributions Paid to Unitholders	(1,833,731)	(1,122,659)
Net Cash from (used in) Financing Activities	22,151,682	(2,023,759)
Net Increase (Decrease) in Cash	805,194	(1,169,722)
Foreign Exchange Loss	(39,200)	(27,041)
Cash at Beginning of Year	1,901,474	3,098,237
Cash at End of Year	\$ 2,667,468	\$ 1,901,474

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

# FINANCIAL STATEMENTS

## Schedule of Investment Portfolio

AS AT DECEMBER 31, 2022

(In Canadian Dollars)

Description	No. of Securities	Average Cost	Fair Value
Advanced Micro Devices Inc.	13,000	\$ 1,565,459	\$ 1,140,889
Apple Inc.	10,000	1,598,314	1,760,497
ASML Holding NV	2,700	1,780,046	1,998,943
Broadcom Inc.	2,600	1,601,488	1,969,755
Constellation Software Inc.	1,200	2,351,862	2,536,752
Datadog, Inc.	5,000	977,044	497,947
Enphase Energy Inc.	3,000	511,039	1,077,029
Fiserv Inc.	4,000	531,245	547,783
Juniper Networks Inc.	25,000	999,183	1,082,612
Microsoft Corporation	6,000	1,578,853	1,949,677
MongoDB Inc.	2,000	665,388	533,420
Motorola Solutions Inc.	8,000	2,186,366	2,793,491
NVIDIA Corporation	4,000	811,856	792,054
Salesforce Inc.	4,000	921,191	718,616
Synopsys Inc.	3,000	1,286,956	1,297,874
Verra Mobility Corp.	50,000	1,122,975	936,954
Visa Inc.	8,000	2,227,027	2,252,049
<b>TECHNOLOGY: 46.6%</b>		<b>22,716,292</b>	<b>23,886,342</b>
Alphabet Inc.	14,500	1,900,454	1,733,446
AT&T Inc.	35,000	910,287	873,068
Deutsche Telekom AG	70,000	1,703,901	1,886,655
Meta Platforms Inc.	4,500	1,288,022	733,751
Netflix, Inc.	2,000	971,212	799,100
Verizon Communications Inc.	15,000	809,387	800,780
<b>COMMUNICATION SERVICES: 13.3%</b>		<b>7,583,263</b>	<b>6,826,800</b>
AbbVie Inc.	11,000	2,087,958	2,408,723
DexCom Inc.	2,000	253,434	306,871
Merck & Co., Inc.	17,000	2,129,894	2,555,655
Pfizer Inc.	11,000	770,895	763,709
<b>HEALTHCARE: 11.8%</b>		<b>5,242,181</b>	<b>6,034,958</b>
Amazon.com, Inc.	15,000	2,494,936	1,707,248
Booking Holdings Inc.	300	843,791	819,186
Builddirect.com Technologies Inc., Warrants, August 13, 2023	73,900	10,741	-
Genuine Parts Co.	6,500	1,346,447	1,528,142
Sony Group Corporation	7,000	728,337	723,494
Tesla Inc.	4,000	1,140,054	667,615
<b>CONSUMER DISCRETIONARY: 10.6%</b>		<b>6,564,306</b>	<b>5,445,685</b>
PepsiCo Inc.	9,500	2,263,354	2,325,475
<b>CONSUMER STAPLES: 4.5%</b>		<b>2,263,354</b>	<b>2,325,475</b>
Blackstone Inc.	5,000	766,789	502,622
Cboe Global Markets Inc.	5,500	927,322	935,036
<b>FINANCIALS: 2.8%</b>		<b>1,694,111</b>	<b>1,437,658</b>

# FINANCIAL STATEMENTS

## Schedule of Investment Portfolio (continued)

AS AT DECEMBER 31, 2022  
(In Canadian Dollars)

Description	No. of Securities	Average Cost	Fair Value
Deere & Co.	1,000	\$ 426,105	\$ 580,952
Eaton Corp PLC	2,500	409,148	531,652
<b>INDUSTRIALS: 2.2%</b>		835,253	1,112,604
NextEra Energy Inc.	7,000	572,354	792,922
<b>UTILITIES: 1.6%</b>		572,354	792,922
Cheniere Energy Inc.	2,100	504,439	426,698
<b>ENERGY: 0.8%</b>		504,439	426,698
Prologis Inc.	2,000	366,638	305,489
<b>REAL ESTATE: 0.6%</b>		366,638	305,489
TRANSACTION COSTS (Note 9)		(17,105)	-
TOTAL INVESTMENTS: 94.8%		48,325,086	48,594,631
CASH: 5.2%		2,667,468	2,667,468
Total Investment Portfolio, Including Cash		\$ 50,992,554	\$ 51,262,099



# NOTES TO FINANCIAL STATEMENTS



# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

## 1. Middlefield Innovation Dividend ETF

Middlefield Innovation Dividend ETF (the “Fund”) is an exchange-traded fund (“ETF”) established under the laws of the Province of Alberta on February 22, 2018. The Fund converted from a closed-end investment fund into an ETF on March 15, 2022. The Fund’s units were re-designated as units of the ETF on a 1:1 basis, and the Toronto Stock Exchange symbol changed from BL.UN to MINN.

Middlefield Limited, a company incorporated in Alberta, is both the manager and trustee of the Fund (the “Manager”) and Middlefield Capital Corporation (“MCC”), a company under common control with the Manager, is the advisor to the Fund (the “Advisor”). The Fund was listed on the Toronto Stock Exchange and effectively commenced operations on March 23, 2018 when it first issued units through an initial public offering. The address of the Fund’s registered office is 100 King Street West, Suite 5855, Toronto, Ontario. These financial statements, expressed in Canadian Dollars, were authorized for issuance by the board of directors of the Manager on March 24, 2023.

## 2. Investment Objectives and Strategy

The investment objectives of the Fund are to provide holders of units with: (i) stable monthly cash distributions; and (ii) enhanced long-term total return through capital appreciation of the Fund’s investment portfolio through an investment strategy that focuses primarily on investing in dividend-paying securities of global issuers operating in, or that derive a significant portion of their revenue or earnings from, the development or commercialization of products or services related to major technological innovations.

## 3. Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (“IASB”) and as required by Canadian securities legislation and the Canadian Accounting Standards Board.

## 4. Summary of Significant Accounting Policies

### A. Basis of Accounting

#### IFRS 9 Financial Instruments (“IFRS 9”)

The Fund classifies and measures financial instruments in accordance with IFRS 9 which requires assets to be carried at amortized cost or fair value, with changes in fair value recognized in profit and 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’s financial assets and liabilities are classified at fair value through profit or loss (“FVTPL”) and amortized cost.

#### Classification, Measurement, Impairment and Hedge Accounting

The Fund classifies its investments in debt and 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.

Financial assets or financial liabilities held for trading are those acquired 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 and short positions are included in this category and mandatorily measured at FVTPL. The financial assets and liabilities measured at amortized cost include cash collateral posted on derivative positions, accrued income, due to and from brokers and other short term receivables and payables.

IFRS 9 uses the expected credit loss model (“ECL”), as the new impairment model for financial assets carried at amortized cost. The Fund’s financial assets measured at amortized cost consist of trade receivables with no financing component and which have maturities of less than 12 months, as such, it has chosen to apply the simplified ECL approach, whereby any loss allowance is recognized based on the lifetime of ECLs. Given the short-term nature and high credit quality of the trade receivables, there are no expected credit losses associated with them and they are not considered impaired at the reporting dates.

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

# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

## 4. Summary of Significant Accounting Policies (continued)

### B. Financial Instruments

The Fund's financial instruments may include: short-term investments, fixed income, equities, structured products including investment funds managed by the Manager, derivatives (collectively referred to as "investments"), cash, accounts receivable – portfolio securities sold, income and interest receivable, accounts receivable, subscriptions receivable, prepaid interest, prepaid expenses, loan payable, accounts payable – portfolio securities purchased, accounts payable and accrued liabilities, redemptions payable and distributions payable. The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund's investments and derivative assets and liabilities are measured at fair value. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value ("NAV") for transactions with unitholders.

The Fund only offsets financial assets and financial liabilities if the Fund has a legally enforceable right to offset recognized amounts and either intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

### C. Fair Value Measurement

The Fund's own credit risk and the credit risk of the counterparty are taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. Investments and futures contracts are valued at fair value using the policies described below.

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 is based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In 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 based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

### D. Classification of Redeemable Units by the Fund

Under International Accounting Standard ("IAS") 32, *Financial Instruments: Presentation*, the Fund classifies its redeemable units as liabilities. The Fund's redeemable units do not meet the criteria in IAS 32 for classification as equity as the Fund has more than one contractual obligation to its unitholders.

### E. Derivative Transactions

The Fund may use derivatives, such as forward currency contracts, to hedge against losses caused by changes in exchange rates. The value of forward currency contracts is the gain or loss that would be realized, if on the valuation date, the positions were to be closed out. The change in value of forward currency contracts is included in the Statements of Comprehensive Income. Realized gains and losses from derivative instruments that are specific economic hedges are accounted for in the same manner as the underlying investments being hedged and are included in the Statements of Comprehensive Income.

### F. Investment Transactions and Income Recognition

Investment transactions are accounted for as of the trade date and any realized gains or losses from such transactions are calculated on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds. The change in the difference between fair value and average cost of the investments is recorded as unrealized gain (loss) on investments. Income from investments is recognized on the ex-dividend or ex-distribution date. Interest income for distribution purposes shown on the Statements of Comprehensive Income represents the interest from bank deposits received by the Fund and, if the Fund holds fixed income investments, coupon interest accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight line basis. The interest income for distribution purposes is the tax basis of calculating the interest received and which is subject to tax. Income distributions received are treated consistently with dividends and interest and recorded in income in the Statements of Comprehensive Income.

# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

## 4. Summary of Significant Accounting Policies (continued)

### G. Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

Increase (Decrease) in net Assets Attributable to Holders of Redeemable Units per unit in the Statements of Comprehensive Income represents the increase (decrease) in net assets divided by the average units outstanding during the year.

### H. Taxation

The Fund qualifies as a mutual fund trust under the provisions of the *Income Tax Act* (Canada). Under the terms of the Declaration of Trust, any taxable income of the Fund is distributable monthly to unitholders of record date. The Fund is not subject to tax on the income distributed to unitholders. Accordingly, no provision for income taxes is required.

The Fund currently 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 separately in the Statements of Comprehensive Income.

Distributions received from investment trust units that are treated as a return of capital for tax purposes are used to reduce the average cost of the underlying investments on the Schedule of Investment Portfolio.

### I. Foreign Currency Translation

Foreign currency amounts are translated into Canadian dollars as follows: fair value of investments, forward currency contracts and other assets and liabilities, at the closing rate of exchange on each business day; income and expenses, and purchases, sales and settlements of investments, at the rate of exchange prevailing on the respective dates of such transactions.

### J. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

#### Determination of Functional Currency

'Functional currency' is the currency of the primary economic environment in which the Fund operates. If indicators of the primary economic environment are mixed, then management uses its judgment to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The majority of the Fund's transactions are denominated in Canadian dollars. Investor subscriptions and redemptions are also received and paid in Canadian dollars. Accordingly, management has determined that the functional currency of the Fund is Canadian dollars.

#### Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 5 for further information about the fair value measurement of the Fund's financial instruments.

### K. Securities Lending

The Fund may enter into securities lending transactions. These transactions involve the temporary exchange of securities as collateral with a commitment to deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on securities held as collateral. Income earned from these transactions is recognized on an accrual basis and is included in the Statements of Comprehensive Income.

# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

## 5. Fair Value Disclosure

The Fund classifies fair value measurements 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 fair value of the Fund's financial instruments is classified into levels using the following fair value hierarchy:

Level 1	Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
Level 3	Inputs that are unobservable and where there is little, if any, market activity. Inputs into the determination of fair value require significant management judgment or estimation.

The Fund's investments at fair value as at December 31, 2022 and 2021 trade in active markets and are therefore classified as Level 1.

All fair value measurements are recurring. The carrying values of cash, income and interest receivable, subscriptions receivable, accounts receivable, prepaid interest, accounts receivable – portfolio securities sold, loan payable, distributions payable, and accounts payable and accrued liabilities, approximate their fair values due to their short-term nature. Fair values of Fund's investments in common shares are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

No transfers between levels have occurred during the years ended December 31, 2022 and 2021.

## 6. Financial Risk Management

In the normal course of business, the Fund is exposed to a variety of financial risks: price risk, interest rate risk, liquidity risk, foreign exchange rate risk, credit risk and concentration risk. The Fund's primary risk management objective is to protect earnings and cash flow and, ultimately, unitholder value. Risk management strategies, as discussed below, are designed and implemented to ensure the Fund's risks and related exposures are consistent with its objectives and risk tolerance.

Most of the Fund's risks are derived from its investments. The value of the investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, commodity prices, the market and company news related to specific securities held by the Fund. The investments are made in accordance with the Fund's risk management policies. The policies establish investment objectives, strategies, criteria and restrictions. The objectives of these policies are to identify and mitigate investment risk through a disciplined investment process and the appropriate structuring of each transaction.



# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

## 6. Financial Risk Management (continued)

### A. Price Risk

Price risk is the risk that changes in the prices of the Fund's investments will affect the Fund's income or the value of its financial instruments. The Fund's price risk is driven primarily by volatility in commodity and equity prices. Rising commodity and equity prices may increase the price of an investment while declining commodity and equity prices may have the opposite effect. The Fund mitigates price risk by making investing decisions based upon various factors, including comprehensive fundamental analysis prepared by industry experts to forecast future commodity and equity price movements. The Fund's market positions are monitored on a daily basis by the portfolio manager and regular financial reviews of publicly available information related to the Fund's investments are performed to ensure that any risks are within established levels of risk tolerance. The Fund is exposed to price risk through the following financial instrument:

	2022	2021
Investments at FVTPL	\$ 48,594,631	\$ 50,940,882

Based on the above exposure at December 31, 2022, a 10% increase or decrease in the prices of the Fund's investments would result in a \$4,859,463 (December 31, 2021 - \$5,094,088) increase or decrease in net assets of the Fund, with all other factors held constant.

### B. Interest Rate Risk

Interest rate risk describes the Fund's exposure to changes in the general level of interest rates. Interest rate risk arises when the Fund invests in interest-bearing financial assets such as cash and utilizes financial liabilities such as loan payable. In respect of cash balances and loan payable, the Fund's interest income and expense are positively correlated to interest rates in that rising interest rates increase both interest income and expense while the reverse is true in a declining interest rate environment. The Fund has not hedged its exposure to interest rate movements. The Fund seeks to mitigate this risk through active management, which involves analysis of economic indicators to forecast Canadian and global interest rates. The Fund is exposed to interest rate risk through the following financial instruments:

	2022	2021
Cash	\$ 2,667,468	\$ 1,901,474
Loan Payable	-	(7,500,000)
Net Exposure	\$ 2,667,468	\$ (5,598,526)

Based on the above exposure at December 31, 2022, a 1% per annum increase or decrease in interest rates would result in a \$26,675 increase or decrease (December 31, 2021 - \$55,985 decrease or increase) in net assets of the Fund, with all other factors held constant.

### C. Liquidity Risk

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligations when due. The Fund is subject to the potential daily net redemptions of units. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily sold. The Fund's other obligations are due within one year. The Fund retains sufficient cash to maintain liquidity and comply with liquidity requirements as outlined by securities legislation and its investment policies.

The Fund may invest in securities that are not traded on public stock exchange or that may be illiquid. As a result, the Fund may not be able to dispose of these investments in a timely manner. The Fund mitigates this risk through active management, which includes detailed analysis of such entities to ensure they are financially sound and would be attractive to potential investors if a sale is necessary. The Fund's investment policies and securities legislation limit the amount invested in illiquid securities and these limits are monitored. At December 31, 2022 and 2021, the Fund did not hold any illiquid securities.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

### 6. Financial Risk Management (continued)

#### C. Liquidity Risk (continued)

The tables below present the Fund's financial liabilities based on the remaining period to the contractual maturity date. The amounts in the tables reflect the contractual undiscounted cash flows.

As at December 31, 2022

Financial Liabilities	Less than 1 Month	1 to 3 Months	3 Months to 1 Year	Total
Distributions Payable	\$ 148,297	\$ -	\$ -	\$ 148,297
Accounts Payable and Accrued Liabilities	121,328	-	-	121,328
Net Assets Attributable to Holders of Redeemable Shares	51,037,316	-	-	51,037,316
<b>Total</b>	<b>\$ 51,306,941</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 51,306,941</b>

As at December 31, 2021

Financial Liabilities	Less than 1 Month	1 to 3 Months	3 Months to 1 Year	Total
Loan Payable	\$ 5,500,000	\$ 2,000,000	\$ -	\$ 7,500,000
Distribution Payable	85,625	-	-	85,625
Accounts Payable and Accrued Liabilities	111,385	-	-	111,385
Net Assets Attributable to Holders of Redeemable Shares	45,171,759	-	-	45,171,759
<b>Total</b>	<b>\$ 50,868,769</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>	<b>\$ 52,868,769</b>

The Manager does not expect that the contractual maturity disclosed above will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

#### D. Foreign Exchange Rate Risk

Foreign exchange rate risk describes the impact on the underlying value of financial instruments due to foreign exchange rate movements. The Canadian dollar is the Fund's functional and reporting currency. Foreign investments, commodities, cash, receivables and payables denominated in foreign currencies are affected by changes in the value of the Canadian dollar compared to foreign currencies. As a result, financial assets may depreciate/appreciate in the short-term due to the strengthening/weakening of the Canadian dollar against other currencies, and the reverse would be true for financial liabilities. The Fund's exposure to foreign exchange rate risk relates primarily to its investment in securities, which are denominated in various foreign currencies. The Fund has not hedged its exposure to currency fluctuations; however, it closely monitors relevant foreign exchange currency movements. The Fund is exposed to foreign exchange rate risk through the following financial instruments denominated in various foreign currencies:

As at December 31, 2022

Currency	Investments at FVTPL	Cash	Income and Interest Receivable	Total Exposure
U.S. Dollar	\$ 44,171,223	\$ 34,575	\$ 44,692	\$ 44,250,490
European Euro	1,886,655	-	-	1,886,655
<b>Total</b>	<b>\$ 46,057,878</b>	<b>\$ 34,575</b>	<b>\$ 44,692</b>	<b>\$ 46,137,145</b>

As at December 31, 2021

Currency	Investments at FVTPL	Cash	Income and Interest Receivable	Total Exposure
U.S. Dollar	\$ 50,940,882	\$ 19,503	\$ 6,929	\$ 50,967,314
Swiss Franc	-	3	-	3
<b>Total</b>	<b>\$ 50,940,882</b>	<b>\$ 19,506</b>	<b>\$ 6,929</b>	<b>\$ 50,967,317</b>

Based on the above exposure at December 31, 2022, a 10% increase or decrease in the Canadian dollar against the respective currencies would result in a \$4,613,715 (2021 – \$5,096,732) decrease or increase in net assets of the Fund, with all other factors held constant.

# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

## 6. Financial Risk Management (continued)

### E. Credit Risk

Credit risk represents the financial loss that the Fund would experience if a counterparty to a financial asset failed to meet its obligations to the Fund. The Fund is exposed to credit risk on its debt instruments, derivative assets, cash and cash equivalents and other short term trade receivables. The Fund measures credit risk and lifetime ECLs related to the trade receivables using historical analysis and forward looking information in determining the ECL. The carrying amounts of financial assets represent the maximum credit exposure. All transactions executed by the Fund in listed securities are settled upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase only once the broker has received the securities. The trade will fail if either party fails to meet its obligations. There is no significant credit risk related to the Fund's receivables.

The Fund has established various internal controls to help mitigate credit risk, including prior approval of all investments by the Advisor whose mandate includes conducting financial and other assessments of these investments on a regular basis. The Fund has also implemented policies which ensure that investments can only be made with counterparties that have a minimum acceptable credit rating.

As at December 31, 2022 and 2021, the Fund did not hold any investments subject to credit ratings.

### F. Concentration Risk

The Fund is exposed to the possible risk inherent in the concentration of the investment portfolio in a small number of industries or investment sectors. The Manager moderates this risk through careful selection of securities in several investment sectors. At December 31, 2022 and 2021, the percentages of the Fund's net assets invested in each investment sector were as follows:

Sector	As a % of Net Assets	
	2022	2021
Technology	46.8	57.2
Communication Services	13.4	14.2
Healthcare	11.8	6.0
Consumer Discretionary	10.7	20.7
Consumer Staples	4.6	-
Financials	2.8	4.4
Industrials	2.2	7.2
Utilities	1.5	3.1
Energy	0.8	-
Real Estate	0.6	-
Total	95.2	112.8

## 7. Redeemable Units

### Authorized

The Fund is authorized to issue an unlimited number of transferable, redeemable units, each of which represents an equal, undivided interest in the net assets of the Fund. All units have equal rights and privileges. Unitholders may sell units on the TSX; in addition, unitholders may: (a) redeem units of the Fund for cash at a redemption price per unit equal to the lesser of: (i) 95% of the closing price for the applicable units on the TSX; and (ii) the net asset value per unit, on the effective day of redemption less any costs associated with the redemption; or (b) exchange a prescribed number of units (PNU) or a multiple PNU of the fund for Baskets of Securities and/or cash at an exchange price equal to the net asset value of that number of units less any costs associated with the redemption as determined by the Manager in its sole discretion. Unitholders of the Fund can acquire additional units by participating in the Distribution Reinvestment Plan (the "Plan"). The Plan enables unitholders to reinvest their monthly distributions in additional units of the Fund thereby achieving the benefit of compounding returns. The Plan also allows participants to purchase additional units for cash.

On March 23, 2018, the Fund issued 8 million units at \$10 per unit for proceeds, net of agents' fees and issue costs, of \$75.5 million. On April 13, 2018, the Fund issued 85,000 units at \$10 per unit for proceeds, net of agents' fees, of \$0.8 million. On February 17, 2022, the Fund issued 3,357,330 units in exchange for units of merged Digital Consumer Dividend Fund and Global Real Estate & E-Commerce Dividend Fund. During the year ended December 31, 2022, the Fund redeemed 1,475,000 units (2021 – 325,163), issued 25,000 units (2021- 72,400), purchased 7,800 units (2021- 83,800) pursuant to a normal course issuer bid and nil units (2021 – nil) in the market in accordance with the Declaration of Trust. For the year ended December 31, 2022, 11,202 units (2021 – 9,342) were distributed under the Plan, of which 1,694 units (2021- 884) were issued from treasury.

# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

## 7. Redeemable Units (continued)

The average number of units outstanding during the year ended December 31, 2022 was 4,692,932 (2021 – 2,844,202). This number was used to calculate the Net Assets Attributable to Holders of Redeemable Units per Unit.

## 8. Management Fee and Operating Expenses

The Manager provides investment and administrative services to the Fund. In consideration for such services, the Manager receives a management fee equal to 0.9% per annum of the NAV, calculated and paid monthly in arrears based on the average NAV of the preceding month. For the year ended December 31, 2022, management fees before the absorption of expenses amounted to \$0.6 million (2021- \$0.4 million).

The Fund is responsible for the payment of all expenses relating to the operation of the Fund and the carrying on of its business, including, among other things, audit and legal fees and expenses, custodian and transfer agency fees, and costs relating to securityholder reporting. Certain services in the normal course of business may be provided by the Manager or an affiliate of the Manager in accordance with National Instrument 81-107 – *Independent Review Committee for Investment Funds*. Examples of these services include the preparation and filing of tax returns, the preparation and filing of financial statements and related reports, acting as transfer agent and registrar for the funds, and maintaining and updating the Fund's website. In aggregate, these fees amounted to less than 0.15% of the fund's average NAV throughout the year. In addition, the Fund would be responsible for reimbursing the Manager for any reasonable out of pocket expenses incurred on the Fund's behalf.

## 9. Transaction Costs

Brokerage commissions and other transaction costs paid in connection with securities transactions during the year ended December 31, 2022 amounted to \$68,759 (2021 – \$20,482). Included in this amount is \$24,885 (2021 – \$8,675) in brokerage commissions that were paid to MCC. All commissions paid by the Fund to MCC were at or below market rates. Brokerage commissions and other transaction costs are expensed and recorded in the Statements of Comprehensive Income.

## 10. Securities Lending

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust, in order to earn additional revenue. The aggregate market value of all securities loaned by the Fund will not exceed 50% of the fair value of the assets of the Fund. The Fund will receive collateral of at least 105% of the fair value of the securities on loan. Collateral held is generally comprised of cash and securities of, or guaranteed by, the Government of Canada or a province thereof, or the United States government or its agencies. Securities lending income is net of a securities lending charge which the Fund's custodian, RBC Investor Services Trust, is entitled to receive.

During the years ended December 31, 2022 and 2021, the Fund did not earn any securities lending income.

As at December 31, 2022 and 2021, the Fund had no outstanding securities loaned and hence no collateral held.

## 11. Loan Payable

In 2018, the Fund entered into a revolving demand credit facility with a maximum principal amount of \$15 million which is secured by a general security agreement. As at December 31, 2022, loans outstanding included bankers' acceptances with a face value of \$nil (December 31, 2021 - \$7.5 million). The minimum and maximum loans outstanding during 2022 were \$nil and \$7.5 million (December 31, 2021 - \$3 million and \$7.5 million), respectively. Finance costs primarily relate to loan interest expenses. The Fund terminated the credit facility in advance of its conversion to an ETF.

## 12. Capital Management

The Fund's capital is its net assets attributable to holders of redeemable units. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders, maximize unitholder value and maintain financial strength. The Fund manages and adjusts its capital in response to general economic conditions, the risk characteristics of the underlying assets and working capital requirements.

The Fund is not subject to externally imposed capital requirements. However, the Fund was subject to bank covenants in respect of leverage and was in compliance with these covenants in both 2022 and 2021. The Fund's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2021.

## 13. Loss Carryforwards

At December 31, 2022, the fund had capital losses of \$nil (2021 - \$1,373,814) and no non-capital losses (2021 – \$nil) available for carry forward for tax purposes.

# NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND 2021

## 14. Distributions

The Fund pays monthly distributions to unitholders in accordance with its investment objectives. Distributions of the Fund, at the discretion of the unitholder, can be reinvested in additional units of the Fund under the Distribution Reinvestment Plan, without sales charge. For the year ended December 31, 2022, distributions amounted to \$0.40 per unit (2021 - \$0.40).

15. The outbreak of the novel coronavirus (COVID-19) has led to governments around the world enacting emergency measures that resulted in business disruptions, volatility in markets and a global economic slowdown. The Manager uses judgment in assessing the impact from such events on assumptions and estimates applied in reporting the assets and liabilities in the Fund's financial statements at December 31, 2022. The duration and full extent of impact of the COVID-19 pandemic are unknown at the reporting date and it is therefore not possible to reliably estimate the entire impact on the financial results and position of the Fund in future periods.

## 16. Subsequent Events

On January 23, 2023, the Manager of the Fund announced that Workplace Technology Dividend Fund (TSX: WORK.UN) will merge into the Fund. The merger is expected to be completed on or about May 17, 2023, with the Fund being the continuing entity following the merger.



## DISTRIBUTIONS (PER UNIT)

### 2018

31-Jul	\$ 0.033	30-Sep	\$ 0.033	30-Nov	\$ 0.033
31-Aug	0.033	31-Oct	0.033	31-Dec	0.033

### 2019

31-Jan	\$ 0.033	31-Mar	\$ 0.033	31-May	\$ 0.033	31-Jul	\$ 0.033	30-Sep	\$ 0.033	30-Nov	\$ 0.033
29-Feb	0.033	30-Apr	0.033	30-Jun	0.033	31-Aug	0.033	31-Oct	0.033	31-Dec	0.033

### 2020

31-Jan	\$ 0.033	31-Mar	\$ 0.033	31-May	\$ 0.033	31-Jul	\$ 0.033	30-Sep	\$ 0.033	30-Nov	\$ 0.033
29-Feb	0.033	30-Apr	0.033	30-Jun	0.033	31-Aug	0.033	31-Oct	0.033	31-Dec	0.033

### 2021

31-Jan	\$ 0.033	31-Mar	\$ 0.033	31-May	\$ 0.033	31-Jul	\$ 0.033	30-Sep	\$ 0.033	30-Nov	\$ 0.033
28-Feb	0.033	30-Apr	0.033	30-Jun	0.033	31-Aug	0.033	31-Oct	0.033	31-Dec	0.033

### 2022

31-Jan	\$ 0.033	31-Mar	\$ 0.033	31-May	\$ 0.033	31-Jul	\$ 0.033	30-Sep	\$ 0.033	30-Nov	\$ 0.033
28-Feb	0.033	30-Apr	0.033	30-Jun	0.033	31-Aug	0.033	31-Oct	0.033	31-Dec	0.033

#### Distribution Reinvestment Plan:

For information regarding the Distribution Reinvestment Plan, please contact our Investor Relations department, our Transfer Agent or visit our website at [www.middlefield.com](http://www.middlefield.com).

You may voluntarily terminate your participation in the Plan and elect to receive cash instead of Plan units, by delivering to the Plan Agent (or, if you are beneficial owners of units, by having your broker or other nominee deliver to the Plan Agent (through CDS & Co., if applicable) on your behalf) a written notice of termination signed by you or your broker or other nominee, as applicable.

## 2022 TAX INFORMATION (PER UNIT)

Middlefield Innovation Dividend ETF will be issuing T3 Supplementary slips to registered unitholders by March 31, 2023. The following table outlines the allocation of the 2022 distribution for each Unit.

RECORD DATE	PAYABLE DATE	DISTRIBUTION PER UNIT	ALLOCATION RETURN OF CAPITAL
January 31, 2022	February 15, 2022	\$ 0.033000	\$ 0.033000
TOTAL		\$ 0.033000	\$ 0.033000
Pre-merger: January 1 – February 16, 2022		100.00%	100.00%
February 28, 2022	March 7, 2022	\$ 0.033000	\$ 0.033000
March 31, 2022	April 14, 2022	0.033000	0.033000
April 30, 2022	May 13, 2022	0.033000	0.033000
May 31, 2022	June 15, 2022	0.033000	0.033000
June 30, 2022	July 15, 2022	0.033000	0.033000
July 31, 2022	August 15, 2022	0.033000	0.033000
August 31, 2022	September 15, 2022	0.033000	0.033000
September 30, 2022	October 14, 2022	0.033000	0.033000
October 31, 2022	November 15, 2022	0.033000	0.033000
November 30, 2022	December 15, 2022	0.033000	0.033000
December 31, 2022	January 13, 2023	0.033000	0.033000
TOTAL		\$ 0.363000	\$ 0.363000
Post-merger: February 17 – December 31, 2022		100.00%	100.00%

Holders of Units outside of an RRSP, RRIF or DPSP should have received a T3 tax slip from their investment dealer. T3 tax slips report Capital Gains in Box 21, Other Income in Box 26, Return of Capital in Box 42 and Eligible Dividends in Box 49. Eligible Dividends are subject to the gross-up and federal dividend tax credit rules. The Return of Capital component of the distribution is a non-taxable amount that should be deducted from the adjusted cost base of the Units.

# MIDDLEFIELD FUNDS FAMILY |

<b>EXCHANGE - TRADED FUNDS (ETFs)</b>	<b>TSX Stock Symbol</b>
• Middlefield Healthcare Dividend ETF	MHCD
• Middlefield Health & Wellness ETF	HWF
• Middlefield Innovation Dividend ETF	MINN
• Middlefield Sustainable Global Dividend ETF	MDIV
• Middlefield Sustainable Infrastructure Dividend ETF	MINF
• Middlefield Real Estate Dividend ETF	MREL
• Middlefield U.S. Equity Dividend ETF	MUSA
<b>TSX-LISTED FUNDS</b>	
• E Split Corp.	ENS   ENS.PR.A
• International Clean Power Dividend Fund	CLP.UN
• Middlefield Global Real Asset Fund	RA.UN
• MINT Income Fund	MID.UN
• Real Estate Split Corp.	RS   RS.PR.A
• Sustainable Agriculture & Wellness Dividend Fund	AGR.UN
• Sustainable Innovation & Health Dividend Fund	SIH.UN
• Sustainable Real Estate Dividend Fund	MSRE.UN
• Workplace Technology Dividend Fund	WORK.UN
<b>MIDDLEFIELD MUTUAL FUNDS TRUST FUNDS</b>	
<b>Series A Units</b>	<b>Fund Code FE/LL/DSC</b>
• Middlefield Healthcare Dividend Fund (formerly Global Healthcare Dividend Fund)	MID 325/327/330
• INDEXPLUS Income Fund	MID 435/437/440
• Middlefield Global Infrastructure Fund	MID 510/519/520
<b>Series F Units</b>	
• Middlefield Healthcare Dividend Fund (formerly Global Healthcare Dividend Fund)	MID 326
• INDEXPLUS Income Fund	MID 436
• Middlefield Global Infrastructure Fund	MID 501
<b>MIDDLEFIELD MUTUAL FUNDS CORPORATE CLASS FUNDS</b>	
<b>Series A Shares</b>	<b>Fund Code FE/LL/DSC</b>
• Middlefield Canadian Dividend Growers Class	MID 148/449/450
• Middlefield Global Agriculture Class	MID 161/163/166
• Middlefield Global Energy Transition Class (commenced May 31, 2022)	MID 265
• Middlefield Innovation Dividend Class (commenced May 31, 2022)	MID 925
• Middlefield Global Dividend Growers Class	MID 181/183/186
• Middlefield Real Estate Dividend Class (formerly Global Real Estate Class)	MID 600/649/650
• Middlefield High Interest Income Class	MID 400/424/425
• Middlefield Income Plus Class	MID 800/849/850
• Middlefield U.S. Equity Dividend Class (formerly Middlefield U.S. Dividend Growers Class)	MID 710/719/720
<b>Series F Shares</b>	
• Middlefield Canadian Dividend Growers Class	MID 149
• Middlefield Global Agriculture Class	MID 162
• Middlefield Global Dividend Growers Class	MID 182
• Middlefield Real Estate Dividend Class (formerly Global Real Estate Class)	MID 601
• Middlefield Global Energy Transition Class (commenced May 31, 2022)	MID 266
• Middlefield Innovation Dividend Class (commenced May 31, 2022)	MID 926
• Middlefield Income Plus Class	MID 801
• Middlefield U.S. Equity Dividend Class (formerly Middlefield U.S. Dividend Growers Class)	MID 701
<b>RESOURCE FUNDS</b>	
• Discovery 2022 Short Duration LP (commenced October 13, 2022)	
• MRF 2022 Resource Limited Partnership (commenced February 17, 2023)	
<b>INTERNATIONAL FUNDS</b>	
• Middlefield Canadian Income PCC	London UK Stock Exchange (LSE) Symbol:MCT

**Dean Orrico**

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**Mark Aboud**Managing Director,  
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Senior Portfolio Manager

**Vincenzo Greco**

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DLA Piper (Canada) LLP  
Fasken Martineau DuMoulin LLP  
McCarthy Tétrault**Bankers**Bank of Montreal  
Canadian Imperial Bank of Commerce  
Royal Bank of Canada  
The Bank of Nova Scotia  
The Toronto-Dominion Bank**Custodian**

RBC Investor Treasury Services

**Transfer Agents**RBC Investor Service Trust  
Middlefield Capital Corporation**Affiliates**Middlefield Group Limited  
Middlefield Capital Corporation  
Middlefield Financial Services Limited  
MFL Management Limited  
MF Properties Limited  
Middlefield International Limited  
Middlefield Limited  
Middlefield Realty Services Limited  
Middlefield Resource Corporation



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