World Financial Split Corp.

Annual Report 2021

MULVIHILL

Management Report of Fund Performance

This annual management report of fund performance contains the financial highlights for the year ended December 31, 2021 of World Financial Split Corp. (the "Fund"). The annual 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 investment objectives are to:

(1) provide holders of Preferred shares with fixed cumulative preferential quarterly cash distributions in the amount of $0.131250 per Preferred share representing a yield on the issue price of the Preferred shares of 5.25 percent per annum,

(2) provide holders of Class A shares with quarterly cash distributions targeted to be 8.0 percent per annum, and

(3) return the original issue price to holders of both Preferred shares and Class A shares at the time of redemption of such shares on the termination date.

The Fund suspended payment of distributions to holders of Class A shares effective December 2008 in accordance with terms of the prospectus which states: "No distribution will be paid to the Class A shares if: (i) the distributions payable on the Preferred shares are in arrears; or (ii) after the payment of the distribution by the Fund, the net asset value per Unit would be less than $15.00".

To achieve its objectives, the Fund invests in a portfolio which includes common equity securities selected from the ten largest financial services or real estate companies by market capitalization in each of Canada, the United States and the Rest of the World (the "Portfolio Universe"). The issuers of securities in the Portfolio Universe, other than Canadian issuers, must have a minimum credit rating of "A" from Standard & Poor's Rating Services or a comparable rating from an equivalent rating agency. In addition, up to 25 percent of the net asset value of the Fund may be invested in common equity securities of financial services or real estate companies not included in the Portfolio Universe as long as such companies have a market capitalization at the time of investment of at least US$10 billion and for non-Canadian issuers, a minimum credit rating of "A-" from Standard & Poor's Rating Services or a comparable rating from an equivalent rating agency. The Fund may also invest in public investment funds including exchange-traded funds or other Mulvihill Funds provided that no more than 15 percent of the net asset value of the Fund may be invested in securities of other Mulvihill Funds) that provide exposure to such securities.

The Fund employs an active covered call strategy to enhance the income generated by the portfolio and to reduce volatility. In addition, the Fund may write cash covered put options in respect of securities in which it is permitted to invest.

The strategy is a quantitative, technical based methodology that identifies appropriate times to write and/or close out option positions compared to writing continuously and rolling options every thirty days. This proprietary process has been developed over many years through various market cycles. The Manager believes the primary benefit to investors is to maximize the total return of the Fund while reducing the level of volatility of the portfolio, thereby increasing the risk-adjusted return.

Risk

Risks associated with an investment in the securities of the Fund are discussed in the Fund's 2021 annual information form, which is available on the Fund's website at www.mulvihill.com or on SEDAR at www.sedar.com. 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, 2021, cash distributions of $0.53 per Preferred share were paid to Preferred shareholders, unchanged from the prior year. Distributions to Class A shareholders remained suspended in accordance with the terms of the prospectus which states: "No distribution will be paid to the Class A shares if: (i) the distributions payable on the Preferred shares are in arrears; or (ii) after the payment of the distribution by the Fund, the net asset value per Unit would be less than $15.00".

Since the inception of the Fund in February 2004, the Fund has paid total cash distributions of $9.38 per Preferred share and $5.54 per Class A share.

Revenue and Expenses

The Fund's total revenue for the year ended December 31, 2021 was $0.37 per Unit, compared to $0.36 per Unit in the prior year. Total expenses in 2021 were $0.50 per Unit, up from $0.39 per Unit last year. The Fund had a net realized and unrealized gain of $2.56 per Unit in 2021 as compared to a net realized and unrealized loss of $1.60 per Unit a year ago.

Net Asset Value

The net asset value per Unit of the Fund increased 16.3 percent from $11.55 per Unit at December 31, 2020 to $13.43 per Unit at December 31, 2021. The aggregate net asset value of the Fund increased $0.8 million, from $11.7 million at December 31, 2020 to $12.5 million at December 31, 2021, reflecting an operating profit of $2.4 million, annual concurrent (both Class A and Preferred shares) redemptions of $1.1 million and Preferred share distributions of $0.5 million.

Recent Developments

The Manager changed its name from Strathbridge Asset Management Inc. back to Mulvihill Capital Management Inc. effective January 1, 2022.

Related Party Transactions

Mulvihill Capital Management Inc. (“Mulvihill”), as the Investment Manager of the Fund, manages the Fund’s investment portfolio in a manner consistent with the investment objectives, strategy and criteria of the Fund pursuant to an Investment Management Agreement made between the Fund and Mulvihill dated January 27, 2004 and amended as of November 6, 2009.

Mulvihill is the Manager of the Fund pursuant to a Management Agreement made between the Fund and Mulvihill dated January 27, 2004. As such, Mulvihill is responsible for providing or arranging for required administrative services to the Fund.

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 Michael M. Koerner, Robert G. Bertram and R. Peter Gillin.

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 for the past five years. This information is derived from the Fund's audited annual financial statements.

Years ended December 31	2021	2020	2019	2018	2017
NET ASSETS PER UNIT					
Net Assets, beginning of year(1)	**$ 11.55**	$ 13.50	$ 12.72	$ 14.85	$ 13.74
INCREASE (DECREASE) FROM OPERATIONS					
Total revenue	**0.37**	0.36	0.37	0.37	0.49
Total expenses	**(0.50)**	(0.39)	(0.42)	(0.41)	(0.38)
Realized gain (loss) for the period	**1.98**	(1.36)	0.22	0.20	2.20
Unrealized gain (loss) for the period	**0.58**	(0.24)	1.14	(1.75)	(0.69)
Total Increase (Decrease) from Operations(2)	**2.43**	(1.63)	1.31	(1.59)	1.62
DISTRIBUTIONS					
Preferred Share					
Non-taxable distributions	**(0.53)**	(0.53)	(0.53)	(0.53)	(0.53)
Total Annual Distributions(3)	**(0.53)**	(0.53)	(0.53)	(0.53)	(0.53)
Net Assets, end of year(1)	**$ 13.43**	$ 11.55	$ 13.50	$ 12.72	$ 14.85

(1) All per Unit figures are derived from the Fund's audited financial statements for the years ended December 31. Net assets per Unit is the difference between the aggregate value of the assets and the aggregate value of the liabilities, excluding the Redeemable Preferred share liability, 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, excluding Preferred share distributions, and is calculated based on the weighted average number of Units outstanding during the year. 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 year.

(3) Distributions to shareholders are based on the number of shares outstanding on the record date for each distribution.

Years ended December 31	2021	2020	2019	2018	2017
RATIOS/SUPPLEMENTAL DATA					
Net Asset Value, excluding the Redeemable Preferred Share liability ($millions)(1)	**$ 12.46**	$ 11.69	$ 15.08	$ 15.10	$ 30.60
Net Asset Value ($millions)(1)	**$ 3.19**	$ 1.57	$ 3.91	$ 3.23	$ 9.99
Number of Units outstanding(1)	**927,634**	1,011,787	1,117,014	1,187,743	2,060,607
Management expense ratio(2)	**3.56%**	3.06%	2.81%	2.38%	2.29%
Portfolio turnover rate(3)	**229.85%**	192.10%	201.05%	213.51%	259.88%
Trading expense ratio(4)	**0.30%**	0.37%	0.41%	0.44%	0.39%
Net Asset Value per Unit(5)	**$ 13.43**	$ 11.55	$ 13.50	$ 12.72	$ 14.85
Closing market price – Preferred	**$ 9.75**(6)	$ 9.50	$ 10.05	$ 9.58	$ 10.23
Closing market price – Class A	**$ 2.90**(6)	$ 1.75	$ 3.08	$ 2.07	$ 4.30

(1) This information is provided as at December 31. One Unit consists of one Preferred share and one Class A share.

(2) The management expense ratio ("MER") is the sum of all fees and expenses for the stated period, including harmonized sales tax and withholding taxes but excluding transaction fees, income taxes and Preferred share distributions, divided by the average net asset value, excluding the Redeemable Preferred Share liability. Generally, the MER increases when the Fund becomes smaller in size due to redemptions. The MER, including Preferred share distributions, is 7.64%, 7.66%, 6.79%, 5.98% and 6.00%, for 2021, 2020, 2019, 2018 and 2017 respectively. The MER for 2021, 2020, 2019, 2018 and 2017 includes withholding taxes. The MER for 2021, 2020, 2019, 2018 and 2017, excluding withholding taxes, is 3.32%, 2.87%, 2.65%, 2.21% and 2.07% 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 year.

(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, excluding the Redeemable Preferred share liability, divided by the number of Units then outstanding.

(6) The last date with an executed trade was December 29, 2021.

Management Fees

Mulvihill, as the Investment Manager of the Fund, is entitled to fees under the Investment Management Agreement calculated monthly as 1/12 of 1.00 percent of the net asset value of the Fund, excluding the Redeemable Preferred Share liability, at each month end. Services received under the Investment Management 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. 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.

Mulvihill, as the Manager of the Fund, is entitled to fees under the Management Agreement calculated monthly as 1/12 of 0.10 percent of the net asset value of the Fund at each month end. Services received under the Management Agreement include providing or arranging for required administrative services to the Fund.

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 (including deemed distributions based on the intrinsic value of the warrants exercised prior to the expiry date of the warrants) made by the Fund during these periods were reinvested in Units of the Fund,

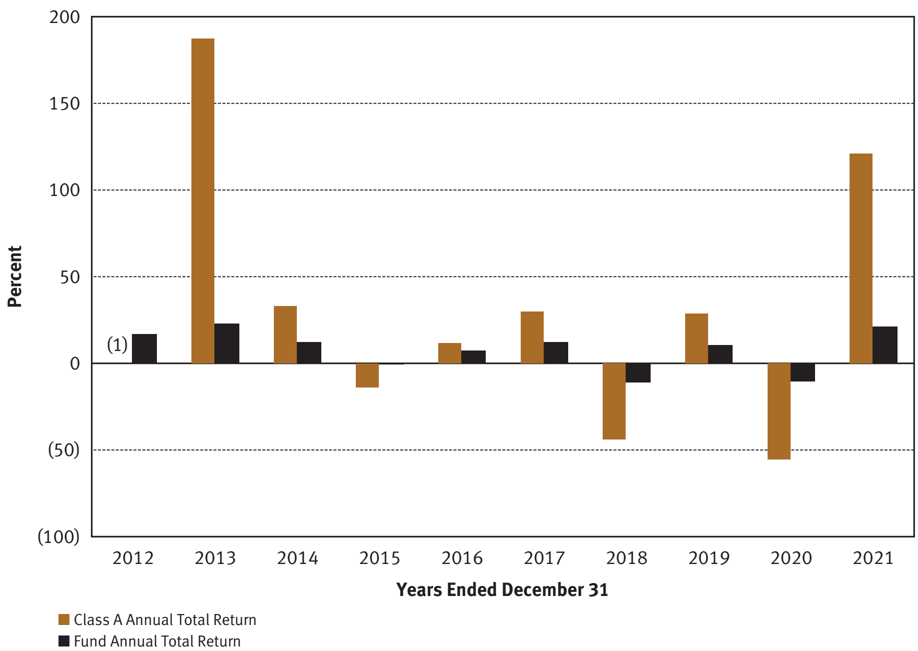
(2) information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns, and

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

Year-By-Year Returns

The following bar chart illustrates how the Fund's annual total return varied from year to year for each of the past ten years. The chart also shows, in percentage terms, how much an investment made on January 1 in each year would have increased or decreased by the end of the fiscal year.

Annual Total Return



(1) The Class A annual total return was infinite as the net asset value per Class A share increased from nil at December 31, 2011 to $1.02 at December 31, 2012.

Annual Compound Returns

The following table shows the Fund's historical annual compound return (net of expenses) for the years ended December 31, 2021 as compared to the performance of the S&P Global 1200 Financials Index.

(In Canadian Dollars unless otherwise noted)	One Year	Three Years	Five Years	Ten Years
World Financial Split Corp.	**21.08 %**	6.32 %	3.70 %	7.45 %
World Financial Split Corp. – Preferred Share	**5.35 %**	5.35 %	5.35 %	5.43 %
World Financial Split Corp. – Class A	**121.12 %**	8.12 %	(1.69)%	184.17 %
S&P Global 1200 Financials Index (Net Total Return)(1)	**23.99 %**	11.91 %	8.07 %	13.58 %
S&P Global 1200 Financials Index (Net Total Return US$)(1)	**25.15 %**	14.72 %	9.40 %	11.13 %

(1) The S&P Global 1200 Financials Index is a market-cap weighted, free float adjusted sector index that monitors the performance of financial stocks around the world.

The equity performance benchmarks shown here provide 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 pay out quarterly distributions and return the original invested amount at the termination date. 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

Despite the continued pandemic induced turmoil, the performance of global equity markets in 2021 was impressive to say the least. The S&P 500 Index ushered in 68 new record highs in 2021, the second most ever, as it shook off the emergence of several new COVID-19 variants, surging inflation, near record valuations, and the U.S. Federal Reserve's ("FED") commitment to changing course on ultra-accommodative monetary policy. The total return for the S&P/TSX Composite Index for the year was 25.1 percent while the S&P 500 Index was up 28.7 percent, with both ending the year near all-time highs. The strong equity performance did not translate into record gains globally however, as emerging market stocks ended the year down 2.5 percent, driven mainly by Chinese equities and the "tech crackdown" from the Chinese Communist Party. Performance was broadly strong with all eleven sectors in the S&P 500 Index recording double digit returns in the year, while ten of eleven sectors in the S&P/TSX Composite Index were positive for the year. After lagging significantly in 2020, Energy was the best performing group in both countries, up 48.9 percent in Canada and up 54.6 percent in the U.S., driven by rising oil prices and investors positioning towards cheaper and more cyclically oriented stocks. Utilities was the worst performing area in the U.S., but still generated a very respectable return of 17.7 percent, while Health Care was the worst in Canada, down 19.6 percent, on continued weakness in Cannabis stocks. Central banks around the globe grappled with the idea inflation may not be as "transitory" as once believed, with both the Bank of Canada and the FED laying the foundation to raise interest rates in 2022. The U.S. dollar was surprisingly resilient in a year that favoured a risk-on tone, with the U.S. Dollar Index ("DXY") advancing 6.4 percent. The Canadian dollar was one of the few currencies globally to rise relative to the greenback, gaining 0.8 percent in 2021. The Bloomberg Global Aggregate Index returned negative 4.7 percent for the year, as low yields, rising interest rates and surging inflation presented several headwinds for fixed income investors.

The net asset value ("NAV") of the Fund at December 31, 2021 was $13.43 per Unit compared to $11.55 per Unit as at December 31, 2020. Preferred shareholders received cash distributions of $0.53 per share during the year while the distributions for the Class A shares remained suspended in accordance with the terms of the prospectus as the net asset value per Unit was less than $15.00. The Fund's Preferred shares and Class A shares, listed on the Toronto Stock Exchange ("TSX") as WFS.PR.A and WFS, closed on December 31, 2021 at a mid-price of $9.96 per share and a mid-price of $2.87 per share, respectively. When combined, this represents a 4.5 percent discount to the NAV of the Fund.

For the year ended December 31, 2021, the Fund's annual total return per Unit and per Class A share, including reinvestment of distributions, was 21.1 percent and 121.1 percent respectively. The best performing stock within the portfolio in 2021 was The Charles Schwab Corporation with a total return of 47.3 percent. Meanwhile, The Progressive Corporation was the weakest performing stock, with a total return of negative 10.6 percent while being held by the Fund.

Over the course of 2021, The Chicago Board Options Exchange Volatility Index ("VIX") traded in a wide range between 15 and 37. The average level of the VIX Index during the year was 19.7, down from the average value of 29.2 in 2020. The Fund opportunistically used option writing strategies to generate additional portfolio income. The Fund had on average 10.5 percent of the portfolio subject to covered calls during 2021. The net realized gain on options was $0.35 per Unit compared to $0.84 per Unit in 2020.

The Fund's portfolio ended 2021 with an asset mix of 33.7 percent invested Canada, 53.1 percent in the United States, and 13.2 percent in the Rest of the World. The Fund's U.S. dollar exposure was approximately 50 percent hedged back into Canadian dollars throughout all of 2021.

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, 2021

	% of NET ASSET VALUE*
United States	52.5 %
Canada	33.4 %
International	13.1 %
Cash	1.7 %
Other Assets (Liabilities)	(0.7)%
	100.0 %

*The Net Asset Value excludes the Redeemable Preferred Share liability.

Portfolio Holdings

December 31, 2021

	% of NET ASSET VALUE*
Prologis, Inc.	6.0 %
The Bank of Nova Scotia	5.7 %
Chubb Limited	5.5 %
Berkshire Hathaway Inc. – Class B	5.4 %
The Toronto-Dominion Bank	5.4 %
Premium Income Corporation – Class A	5.3 %
The Charles Schwab Corporation	5.3 %
Bank of America Corporation	5.2 %
CME Group Inc.	5.1 %
Sun Life Financial Inc.	5.0 %
JPMorgan Chase & Co.	5.0 %
Brookfield Asset Management Inc. – Class A	4.9 %
First Republic Bank	4.2 %
UBS Group AG	4.2 %
Cboe Global Markets, Inc.	4.0 %
Royal Bank of Canada	3.6 %
Bank of Montreal	3.5 %
ING Groep N.V.	3.4 %
The PNC Financial Services Group, Inc.	3.2 %
BlackRock, Inc.	3.2 %
Fifth Third Bancorp	3.0 %
The Progressive Corporation	2.9 %
Cash	1.7 %

*The Net Asset Value excludes the Redeemable Preferred Share liability.

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.