



Preferred-Plus ETF

IPPP (Principal U.S. Listing Exchange: CBOE)

Semi-Annual Shareholder Report | March 31, 2025



This semi-annual shareholder report contains important information about the Preferred-Plus ETF for the period of October 1, 2024, to March 31, 2025. You can find additional information about the Fund at <https://innovativeportfolios.com/ippp-preferred-plus-etf/>. You can also request this information by contacting us at 1-866-704-6857.

WHAT WERE THE FUND COSTS FOR THE LAST SIX MONTHS? (based on a hypothetical \$10,000 investment)

Fund Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment*
Preferred-Plus ETF	\$49	1.00%

* Annualized

HOW DID THE FUND PERFORM THE FIRST 6 MONTHS OF THE FISCAL YEAR AND WHAT AFFECTED ITS PERFORMANCE?

For the 6-month period ending March 31, 2025, the Fund’s total return was -4.13% on a NAV basis versus its benchmark, the ICE BofA Core Plus Fixed Rate Preferred Securities Index, return of -6.03%.

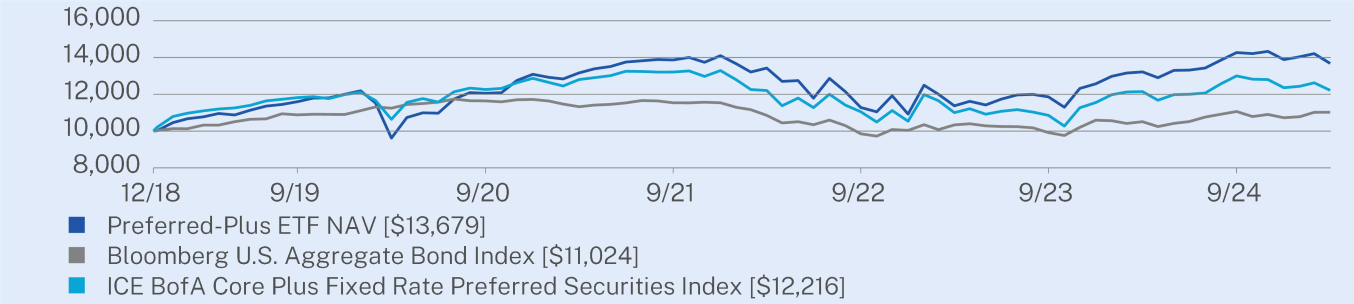
WHAT FACTORS INFLUENCED PERFORMANCE

The Fund’s overweight allocation in the regional banking sector and security selection contributed to overall performance. The Fund took positions in regional banks that, in our opinion, had been oversold following the 2023 regional bank crisis. Although the S&P 500 index declined slightly over the past six months, the option overlay strategy still positively impacted the Fund’s performance. The Fund’s lower-than-benchmark duration also contributed to its outperformance. Despite the Federal Reserve adopting an easing policy by cutting the Fed Fund’s rate in late August 2024, long-term rates have risen due to inflation expectations.

POSITIONING

We have been extending the duration of the Fund; however, we believe the market has been overly aggressive in predicting lower interest rates. With the US running large budget deficits, discussions of tariffs, and the economy showing few signs of slowing down, we believe the 10-year Treasury will struggle to trade much lower.

CUMULATIVE PERFORMANCE (Initial Investment of \$10,000)



PERFORMANCE

	1 Year	5 Year	Since Inception (12/24/2018)
Preferred-Plus ETF NAV	3.49	7.30	5.13
Bloomberg U.S. Aggregate Bond Index	4.88	-0.40	1.57
ICE BofA Core Plus Fixed Rate Preferred Securities Index	0.57	2.80	3.25

KEY FUND STATISTICS (as of March 31, 2025)

Net Assets	\$11,837,677
Number of Holdings	108
Portfolio Turnover	6%
30-Day SEC Yield	6.48%
Effective Duration	4.62 years
Average Credit Quality	BBB

Visit <https://innovativeportfolios.com/ippp-preferred-plus-etf/> for more recent performance information.

WHAT DID THE FUND INVEST IN? (as of March 31, 2025)

Industry Breakdown (%)

Banks	38.1%
Insurance	20.0%
REITS	13.8%
Electric	8.9%
Diversified Financial Services	8.0%
Telecommunications	3.6%
Savings & Loans	3.3%
Auto Manufacturers	2.3%
Distribution/Wholesale	1.5%
Cash & Other	0.5%

Top 10 Securities (%)

Synovus Financial Corp.	2.2%
Athene Holding Ltd.	2.1%
KeyCorp	1.8%
Banc of California, Inc.	1.8%
JPMorgan Chase & Co.	1.7%
Bank of America Corp.	1.6%
Jackson Financial, Inc.	1.6%
Synchrony Financial	1.6%
AGNC Investment Corp.	1.5%
WESCO International, Inc.	1.5%

For additional information about the Fund; including its prospectus, financial information, holdings and proxy information, scan the QR code or visit <https://innovativeportfolios.com/ippp-preferred-plus-etf/>.

HOUSEHOLDING

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). If you would prefer that your Innovative Portfolios, LLC documents not be househanded, please contact Innovative Portfolios, LLC at 1-866-704-6857, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by Innovative Portfolios, LLC or your financial intermediary.