

# MRAD

## The SmartETFs Advertising & Marketing Technology ETF

April 2022 Update



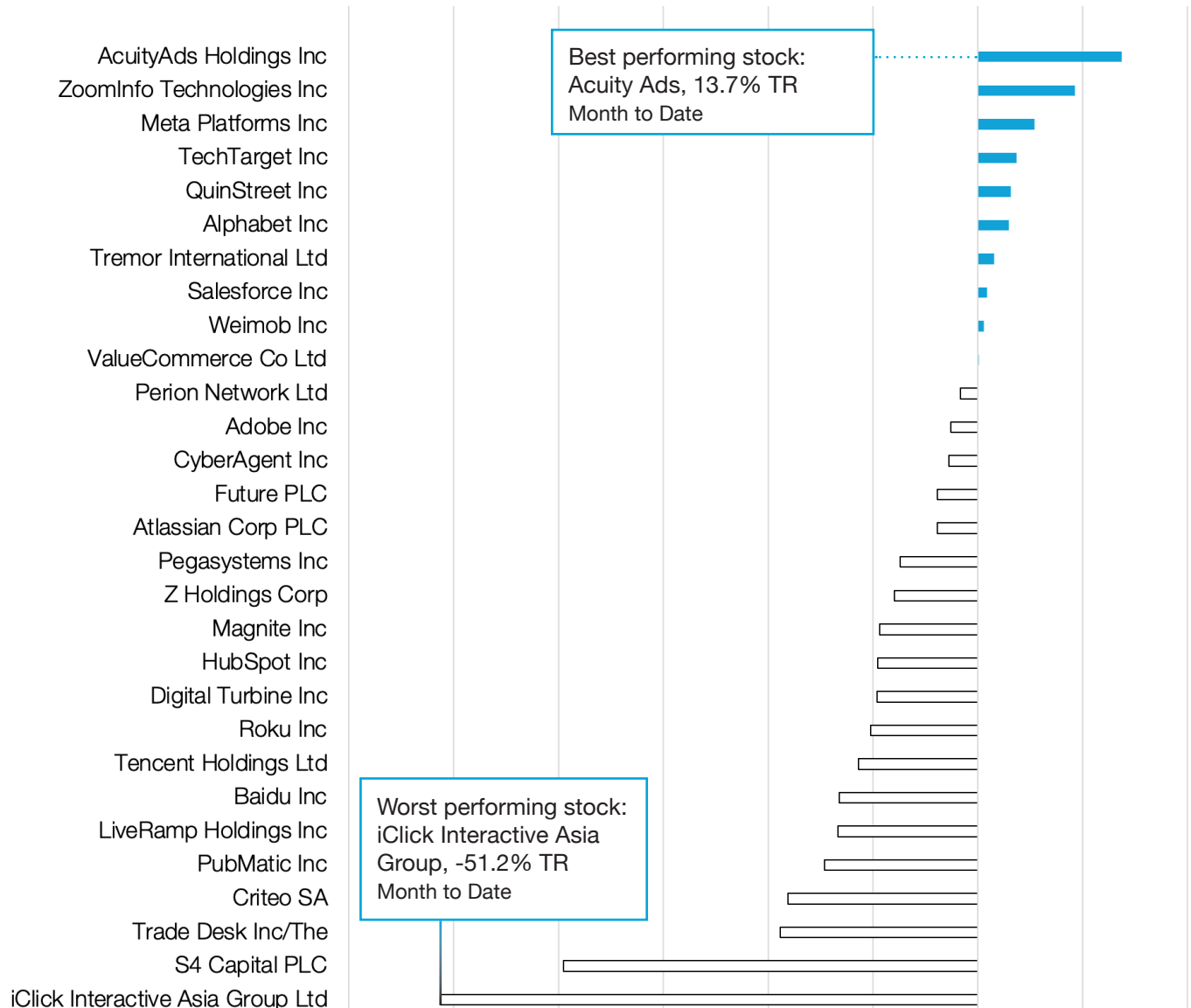
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### Portfolio Performance

as of 3/31/2022

MRAD produced a total return of -7.58% on a net asset value basis (-7.54% market basis) in the month of March. AcuityAds was the top performing MRAD holding for the month while iClick Interactive was the MRAD laggard for the month. Mad money on ad money? Annual ad spend continues to skyrocket, creating an interesting investment opportunity. Interested? Learn more on page 3.

Holdings are subject to change. -60% -50% -40% -30% -20% -10% 0% 10% 20%



**AcuityAds** was the best performer in the month. AcuityAds is a leading programmatic demand side platform (DSP) that provides marketers a one-stop solution for omnichannel digital advertising. The company used to be mostly a service business, running its software for its ad agency and direct advertiser clients, but with the successful introduction of its new illumin product in October 2020, it has shifted to more of a run-it-yourself platform, making it much easier (and more profitable) to bring on more small agencies and advertisers who want to run their campaigns themselves. illumin offers planning, buying and real-time intelligence in one platform; it brings together an integrated ecosystem of privacy-protect-

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ed data, inventory, brand safety and fraud prevention partners, offering a trusted solution to advertisers.

Strong recent performance comes after the company reported its full-year 2021 which beat analyst expectations. Revenues grew 16% year-on-year while gross profit margin increased to 52.1%. AcuityAds plans to invest in headcount, data, its tech stack, and new product development in 2022 to create best-in-class performance advertising algorithms meant to drive revenue growth. Investors reacted pleasingly to this.

**iClick Interactive Asia Group** was the worst performer in the month. The business is an online marketing and enterprise data solutions provider in China. It serves as an integrated cross-channel gateway that provides marketers with innovative and cost-effective ways to optimize their online marketing efforts and achieve their branding and performance-based marketing goals. The company provides digital marketing, data analysis, display solutions, software development, and other services. Recent poor performance comes in light of concerns that Chinese ADRs would be forced to delist if audits were not provided. The concern was overplayed. Further, iClick reported full-year 2021 results which showed that total revenue declined 3% year-on-year. The decline was mostly due to a 17% year-on-year decline of Marketing Solutions revenue which suffered from regulations on personal information protection and macro weakness. Management also noted its proactive withdrawal from engaging with some advertising customers with high credit risk in order to protect the company's cash flow.

### Portfolio Performance

As of 3/31/2022	1 Month	6 Months	YTD	1 Year	Since Inception (12/31/20)
MRAD at NAV	-7.58%	-28.63%	-26.24%	-23.84%	-17.45%
MRAD at Market Price	-7.54%	-29.16%	-26.47%	-24.50%	-17.85%
MSCI World NR	2.74%	2.21%	-5.15%	10.12%	12.29%

Expense Ratio: 0.68% (net) | 0.71% (gross)

The Adviser has contractually agreed to reduce its fees and/or pay ETF expenses in order to limit the Fund's total annual operating expenses to 0.68% through June 30, 2025.

*Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance data quoted. Performance data current to the most recent month-end may be obtained by visiting SmartETFs.com, or calling (866) 307-5990. The returns shown are cumulative for the period, not annualized. Market prices return is based on the market price of Fund shares as of the close of trading on the exchange where the shares are listed.*

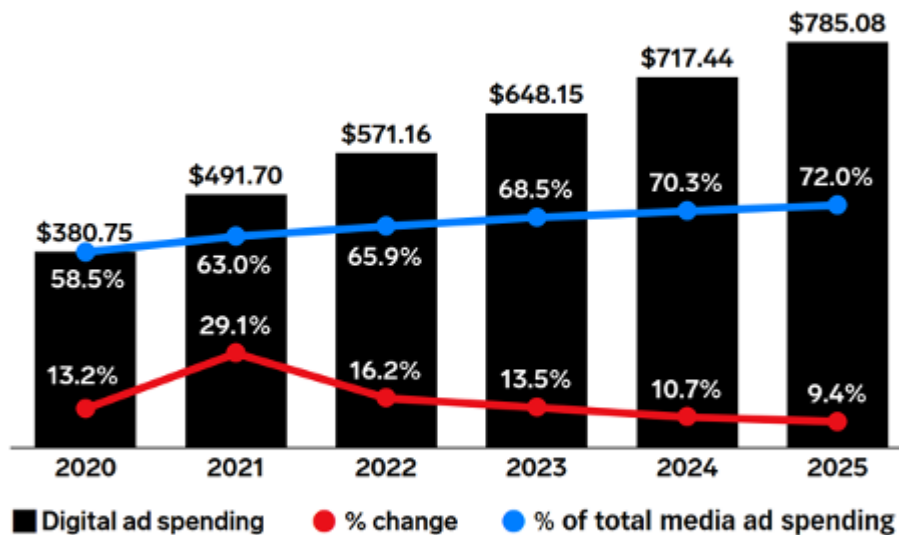


#### Today's Topic: Mad Money

Advertisers worldwide will spend over half a trillion dollars on digital ads this year, creating an enormous opportunity for AdTech players. This is reflected in MRAD's companies, which overall are seeing significantly higher earnings growth and revenue growth expected this year vs the broader market.

### Digital Ad Spending Worldwide, 2020-2025

billions, % change, and % of total media ad spending



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; excludes SMS, MMS, and P2P messaging-based advertising  
Source: eMarketer, October 2021

As of 3/31/2022	1-Year Forward Earnings Growth	1-Year Forward Sales Growth
MRAD	21.6%	15.3%
MSCI World NR	7.7%	4.0%

Source: Guinness Atkinson Asset Management, Bloomberg. Data as of 3/31/22.

Forward Earnings Growth is an estimate of a company's earnings for upcoming periods, usually the completion of the current fiscal year and often the following fiscal year. Analysts model data with guidance from management to arrive at forward earnings. This metric may provide information about a company's stock price reflective of possible future earnings prospects. Forward Sales Growth is an estimate of future sales or revenue growth. Forward metrics may be difficult to predict due to interest rates, stock market performance or any legislative or regulatory changes. Analysts may not have total insight or information about a company to predict company earnings. The characteristics shown are for the underlying companies in the fund's portfolio and do not represent or predict the performance of any fund. Favorable earnings and growth prospects of a company does not assure a favorable outcome or positive performance for the fund.

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### Disclosure

**MSCI World Index** is a broad global equity index that represents large and mid-cap equity performance across 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country and MSCI world index does not offer exposure to emerging markets.

Indexes are unmanaged. Direct investment in an index is not possible.

Investing involves risk, including possible loss of principal.

The companies in which the Fund invests may be subject to rapid changes in technology, intense competition, rapid obsolescence of products and services, evolving industry standards, and changes in business cycles and government regulations. These risks can adversely affect the value of companies in which the fund invests.

**Consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. For a prospectus or summary prospectus with this and other information, please call (866) 307-5990 or visit our website at [www.SmartETFs.com](https://www.SmartETFs.com). Read the prospectus or summary prospectus carefully before investing.**

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