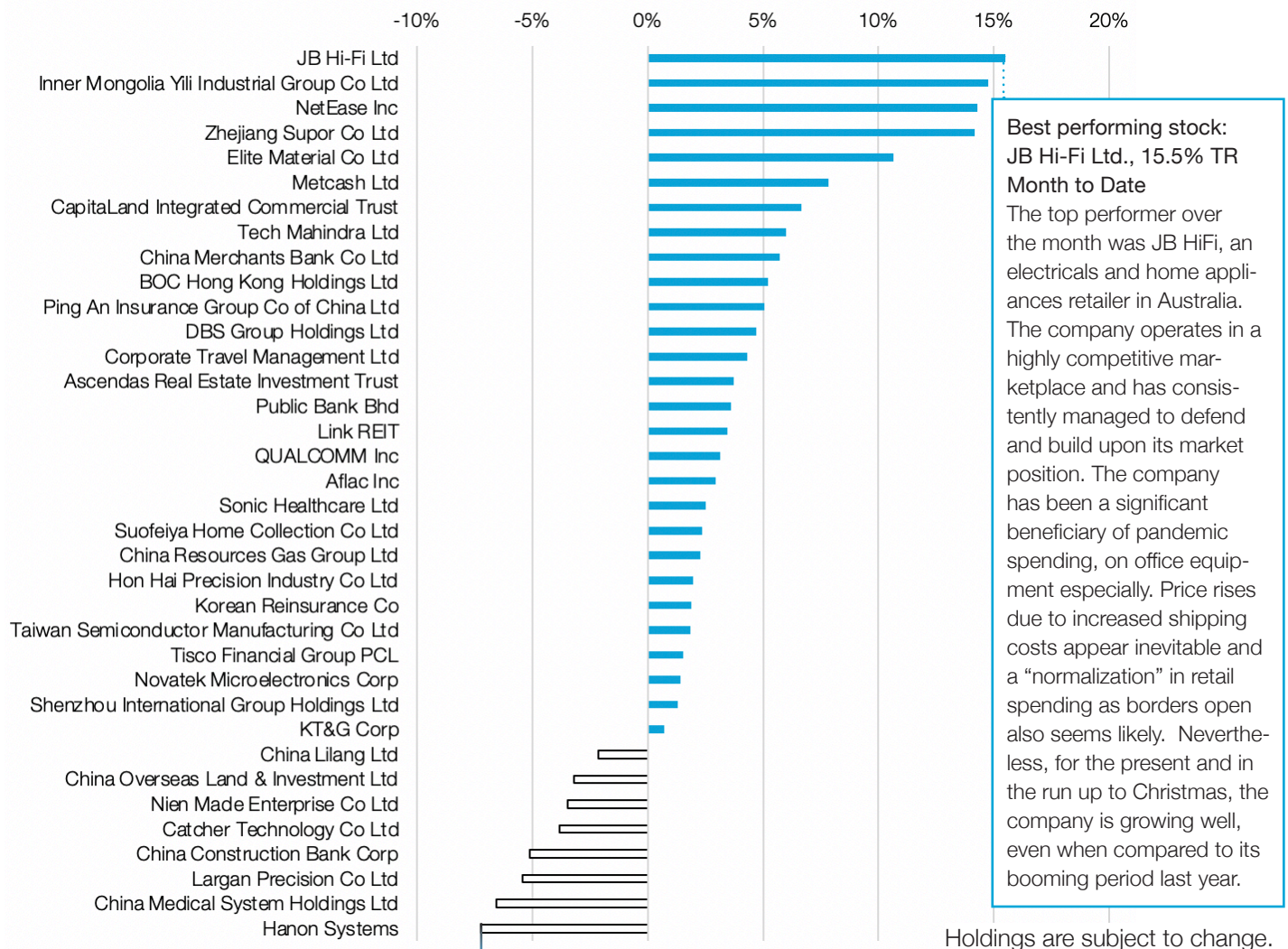




### Portfolio Performance

as of 10/31/2021

ADIV rose 2.95% (NAV basis) in October, outperforming its index which rose 2.07%. As China concerns have heightened, we are pleased to report that the Fund's China exposure outperformed both China and regional indices led by strong performances from China A share companies, Inner Mongolia Yili (dairy), Zhejiang Supor (cookware), and NetEase. The fund's exposure to 5G technology made positive contributions. Our Singapore REIT exposure had a strong month as Singapore reopens. Asian markets at a sector level were led by a rebound in Communication Services and Consumer Discretionary although these remain well down for the year to date. At a country level, most MSCI country indices were up 2% to 4% in USD terms with only India and Korea in (marginal) negative territory. China stocks, as measured by the MSCI China Index were up but it is still the weakest performer in Asia over the year to date, down 14%.



**Best performing stock: JB Hi-Fi Ltd., 15.5% TR Month to Date**  
 The top performer over the month was JB HiFi, an electricals and home appliances retailer in Australia. The company operates in a highly competitive marketplace and has consistently managed to defend and build upon its market position. The company has been a significant beneficiary of pandemic spending, on office equipment especially. Price rises due to increased shipping costs appear inevitable and a "normalization" in retail spending as borders open also seems likely. Nevertheless, for the present and in the run up to Christmas, the company is growing well, even when compared to its booming period last year.

**Worst performing stock: Hanon Systems, -7.2% TR Month to Date**  
 Hanon Systems was the weakest performer over the month. The auto parts makers are feeling the pinch as carmakers slow production due to the well-known shortages of semiconductor chips. Nevertheless, we see this as a well-advertised short-term problem, and we believe that quality names like Hanon will resume momentum into next year. Hanon's key customers are Hyundai Motor Group and Ford, and the company is making big in-roads into the eco-friendly cars sector with a growing customer list and strong order trajectory out to 2025.

Holdings are subject to change.

# ADIV

## The SmartETFs Asia Pacific Dividend Builder ETF

November 2021 Update



SmartETFs

### Portfolio Performance

As of 10/31/2021	YTD	1 Year	3 Year	5 Year	10 Year
ADIV at NAV	6.47%	24.99%	12.27%	9.90%	8.52%
ADIV at Market Price	6.47%	24.99%	12.27%	9.90%	8.52%
MSCI AC Pacific Ex-Japan NR	-3.07%	12.46%	13.06%	10.25%	6.94%

As of 09/30/2021	YTD	1 Year	3 Year	5 Year	10 Year
ADIV at NAV	3.42%	19.89%	7.26%	8.69%	9.02%
ADIV at Market Price	3.42%	19.89%	7.26%	8.69%	9.02%
MSCI AC Pacific Ex-Japan NR	-5.04%	12.95%	8.20%	9.41%	8.09%

Expense Ratio: 0.78% (net) | 4.97% (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 0.78% 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.*

Effective as of the close of business on March 26, 2021, the fund acquired the assets and assumed the performance, financial and other historical information of the Guinness Atkinson Asia Pacific Dividend Builder Fund, an open-end mutual fund (incepted March 31, 2006). The fund's investment objectives, strategies and policies are substantially similar to those of the predecessor mutual fund and it was managed by the same portfolio managers. Performance information for periods prior to March 26, 2021 is the historical performance of the predecessor mutual fund and reflects the higher operating expenses of the predecessor mutual fund. The fund has lower expenses than the predecessor mutual fund (including a lower management fee). For periods prior to March 29, 2021, the fund's performance would have been higher than shown had it operated with the fund's current expense levels.



#### Interesting News

There is significant investor concern regarding Chinese regulation and real estate. This portfolio's Chinese exposure has outperformed both China and regional indexes. Our one Chinese technology stock, Netease, is a video game developer currently enjoying big success with newest game "Harry Potter: Magic Awakened" which is not in the government's sights. Our one Chinese real estate developer has the lowest debt level in the sector and is in prime position to take advantage: it is currently buying up land at cheaper prices in the absence of competition.

A second theme in the portfolio is the development of 5G telephony. We have exposure through Qualcomm, which just reported blow-out results, Taiwan Semiconductor Manufacturing and Tech Mahindra, an Indian technology consultancy business helping business apply 5G in a commercial setting. Elite Material and Novatek Microelectronics, both Taiwanese component makers, also benefit from this theme. All have reported better-than-expected results in recent quarters.

China's private real estate developers are still under financial pressure as authorities push their debt-reduction agenda and this is having an effect on construction activity, property prices and on near-term economic growth.

While associated economic data continues to weaken there are signs of easing: property price curbs are being rolled back; the central bank has urged commercial banks to continue to support developers' finances; and the local bond markets, having been closed off to developers in recent years, may soon become available as a funding channel.

Inflation in the region is moving higher but mostly for producer (manufacturing input) price inflation. In China, this just hit 13.5% while in Korea, Taiwan and Thailand it remains elevated between 6.5% and 7.5%. Consumer prices are rising modestly: China CPI is 1.5% while Taiwan, Singapore, Malaysia, and Thailand hover at 2.2% to 2.5%. Only Korea, at 3.2% shows some signs of pressure hence its early move to raise interest rates in August.

US inflation at 6.2% year over year was the shock. Food prices up 5.3% and Energy prices up 30% were big drivers but urban consumer price inflation, excluding these factors is still closing in on 5% so focus on Federal Reserve policy (tapering of bond purchases and the timing of interest rate increases) is very much alive.

Malaysia's central bank is looking forward to a rebound in activity as COVID restrictions ease. The latest sign is the opening of a vaccinated travel corridor with Singapore.

#### There's more where that came from!

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# ADIV

## The SmartETFs Asia Pacific Dividend Builder ETF

November 2021 Update



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### Disclosure

Investing involves risk, including possible loss of principal. The Fund invests in securities that pay dividends, and there is no guarantee that the securities held by the Fund will declare or pay dividends in the future, or that dividends will remain at current levels or increase. Investments in foreign securities involve greater volatility, political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets countries. For more information on the risks of investing in this Fund, please see the prospectus.

**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](http://www.SmartETFs.com). Read the prospectus or summary prospectus carefully before investing.**

Shares of the Fund are distributed by Foreside Fund Services, LLC.