

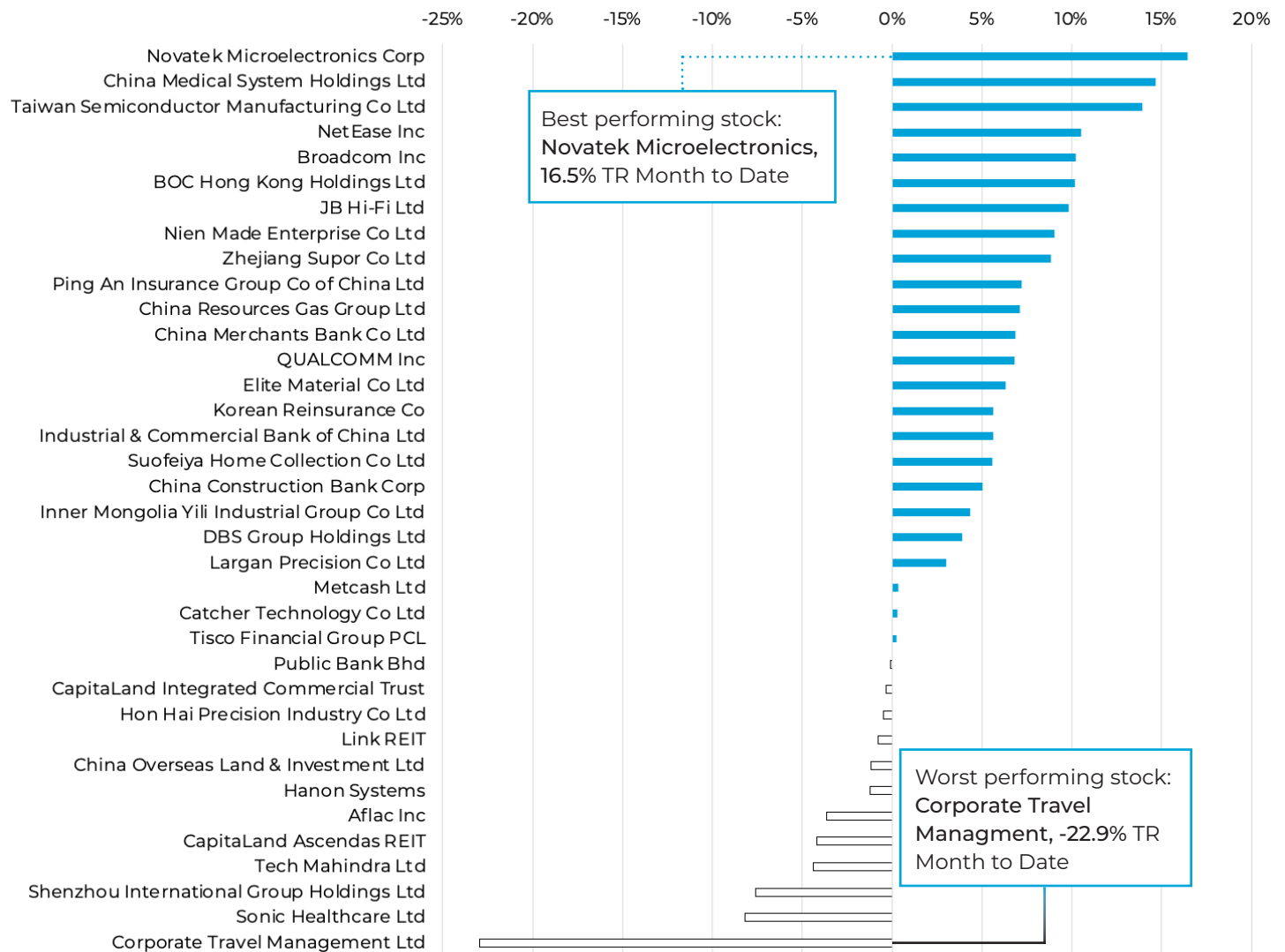


Portfolio Performance

as of 02/29/2024

ADIV rose 3.44% on a NAV basis in February, 3.16% on a market price basis, underperforming the MSCI AC Pacific ex Japan Net Total Return Index benchmark which rose 4.86%. After a rocky start to the year, the Asian market was given a slight reprieve in February, driven by a China rebound. Lunar New Year activity data was mixed; domestic travel was up 19% versus 2019 figures while spending per traveler remained 9% below. However, this still provided some encouragement to the market. Additionally, after a couple of weeks of speculation on state support, the Chinese government announced a 25-basis point cut to the 5-year Loan Prime Rate, the largest cut ever made by the People's Bank of China. In Korea, export growth, buoyed by semiconductor demand, rose 4.8%, strongly beating market expectations. A closer inspection of the Asian markets shows that many Asian countries actually had upgrades to earnings consensus estimates. In particular, Korea saw 25% and 11% raises for 2024 and 2025 earnings estimates. India, Taiwan, and Thailand also saw double digit revisions for 2024, at 17%, 18% and 10% respectively. While many Asian countries saw consensus upgrades to earnings, China and Hong Kong continued to see downgrades due to continued uncertainty around the domestic Chinese environment. Despite the earnings downgrades, the consensus estimates for 3yr earnings compound annual growth rate for these two markets continues to be in-line with, or higher than, their Western peers. Read on for more!

Holdings are subject to change. Go to SmartETFs.com/ADIV for current holdings.





Portfolio Performance

Contributors

The leading contributors to the Fund by sector were Financials and Information Technology. The majority of our Financials stocks benefited from the China rebound seen in February, with Bank of China Hong Kong total return rising the most in the sector, up 10.2%.

Within Information Technology, the AI theme continues to lift stocks within our portfolio. Novatek Microelectronics was the top performing stock in the Fund with total return rising 16.5% and contributing over 50bps to the portfolio's total return in February. The company is expected to be a partner on Arm's Neoverse platform, which is used in AI infrastructure. Broadcom and Elite Materials were also among the top contributors to relative performance.

Outside of these two sectors, we saw notable contributions from China Medical Systems in Health Care, JB Hi-Fi in Consumer Discretionary, and NetEase in Communication Services.

Detractors

Consumer Discretionary was the top detracting sector in the portfolio this month, driven primarily by Corporate Travel Management. Weak performance of its UK government contract has led to a lower profit estimate from management.

The Real Estate sector also detracted in February, with all names in the sector detracting from the Fund's relative performance. Within the sector, our Chinese names, namely China Overseas Land and Investments, and Link REIT were only marginally detractive. Capitaland Ascendas REIT was the Fund's second largest detractor in February. Rising interest rates led to the year-on-year weighted average cost of debt to increase 1% to 3.5% and subsequently led management to reduce the Distribution per Unit by 6.1%.

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Portfolio Performance

As of 02/29/2024	YTD	1 Year	3 Year	5 Year	10 Year
ADIV at NAV	0.64%	7.43%	-0.53%	4.96%	6.44%
ADIV at Market Price	0.14%	7.23%	-0.74%	4.83%	6.37%
MSCI AC Pacific Ex-Japan NR	-1.60%	0.83%	-9.01%	1.11%	3.14%
As of 12/31/2023	YTD	1 Year	3 Year	5 Year	10 Year
ADIV at NAV	11.43%	11.43%	0.99%	7.14%	6.20%
ADIV at Market Price	12.31%	12.31%	0.94%	7.11%	6.19%
MSCI AC Pacific Ex-Japan NR	5.18%	5.18%	-7.00%	3.56%	3.23%

Expense Ratio: 0.78% (net) | 4.94% (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, 2026.

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. Performance would have been lower without fee waivers and or reimbursements in effect.

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.



Fund Review

In local currency terms, the stocks within our portfolio that saw the largest earnings estimate upgrades in February were JB Hi-Fi and Elite Material. JB Hi-Fi's recent profit results beat consensus expectations despite declining year-on-year, leading to consensus upgrades to earnings estimates. Elite Materials continues to be a beneficiary of the market's interest in AI, which was supported by strong NVIDIA results in the month.

The largest downgrades were to Corporate Travel Management, Sonic Healthcare and Hanon Systems. In the case of Corporate Travel Management, the company reported weak performance of its UK government contract and management consequently scaled back EBITDA projections. Sonic Healthcare's most recent earnings results and guidance disappointed. The company is still working through the drop-off in the higher-margin coronavirus business, and management increased their estimate for year-over-year interest costs growth to 70% versus guidance of 25% growth six months ago. For Hanon, profits continue to be pressured by logistics costs and operational inefficiencies, causing management to slightly lower FY24 profit targets. This, coupled with a softening global demand for EVs, has caused earnings downgrades for the company.

Three of our companies within our portfolio declared dividends in February. JB Hi-Fi, a consumer electronics retailer declared a gross dividend per share of AUD2.256 (\$1.49 USD), a 20% decline versus a year ago. Despite the large drop, the dividend per share was still about 5% better than sell-side consensus expectations. Also in Australia, Corporate Travel Management declared a dividend per share of AUD0.17 (\$0.11 USD), a year-on-year increase of 183% from depressed levels in the prior year. In Korea, we saw Korean Reinsurance and Hanon Systems declare dividends. Korea Reinsurance declared a dividend per share of KRW540 (\$0.41 USD), a 51% year-on-year increase. Hanon's declared dividend per share of KRW68 (\$0.051 USD), down -24% year-on-year.

Macro

US headline inflation was higher than expected, coming in at 3.1% and the unemployment rate remained at 3.7% for the third consecutive month. This has slightly tempered market expectations of further Fed rate cuts in the near term. As ever, we maintain our belief that while we continue to see strength in the jobs market and inflationary pressures persist (even if somewhat lower than at the peak in 2023), it will be unlikely that the Fed will move to cut rates.

China's economy remains challenged but there are early signs of government support for a recovery. Looking forward, we note that the Two Sessions is due to open in March. As a reminder, the Two Sessions is an annual Chinese event led by Xi Jinping where key policy announcements and targets are set.



Important Information

MSCI AC Pacific ex Japan Index captures large and mid cap representation across 4 Developed Markets countries and 7 Emerging Markets countries in the Pacific region. With 1,176 constituents, the Index covers approximately 85% of the free float-adjusted market capitalization in each country.

NAV is the dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding. Calculated at the end of each business day.

Market Price is the current price at which an asset or service can be bought or sold. The market price of an asset or service is determined by the forces of supply and demand. The price at which quantity supplied equals quantity demanded is the market price.

Earnings per Share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability.

EBITDA or earnings before interest, taxes, depreciation, and amortization, is an alternate measure of profitability to net income.

Price to Earnings Ratio (PER) is the ratio for valuing a company that measures its current share price relative to its earnings per share.

FY2 means "Fiscal Year 2" and refers to the fiscal year that follows the next immediate fiscal year.

Risks:

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.

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. Read the prospectus or summary prospectus carefully before investing.

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