

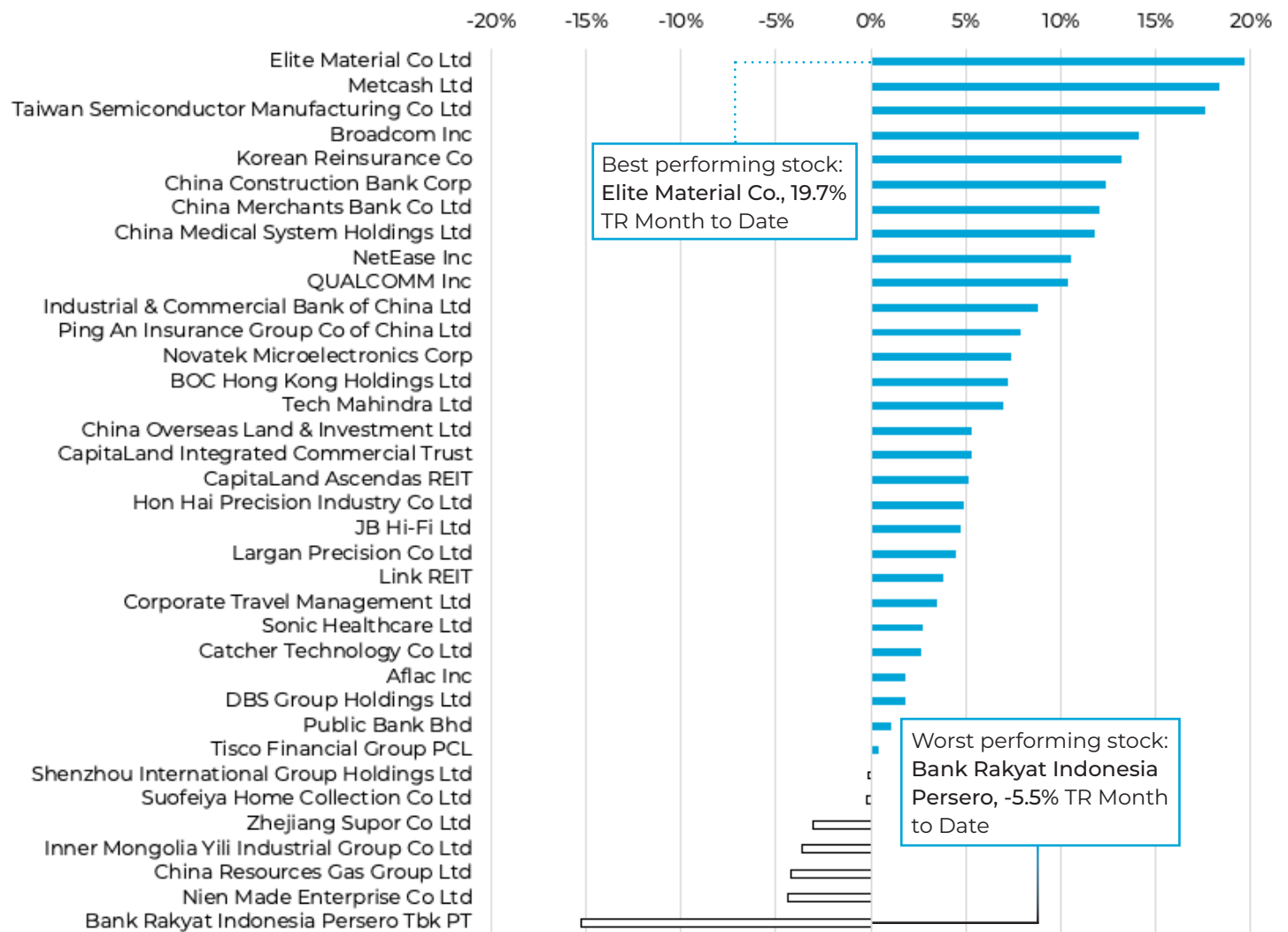


Portfolio Performance

as of 6/30/2025

ADIV out- and underperformed the index in June, delivering 5.78% on a NAV basis and 7.05% on a market price basis, while the MSCI AC Pacific ex Japan Net Total Return Index benchmark rose 6.23%. The Fund's performance is mainly driven by stock selection, with some underperformance coming from countries like China and South Korea, where we avoid certain large companies due to their inconsistent dividend payments. In contrast, our strategy of equally weighting stocks helped in places like Taiwan, especially by being underweight in TSMC. U.S.-listed companies like Qualcomm, Broadcom, and Aflac, each with significant Asian revenue, remain key holdings. Sector-wise, strong picks like NetEase and China Medical Systems helped offset some weaker performers like China Resources Gas. Want to dive deeper? Read the full ADIV fund update to learn more.

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



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.



Portfolio Performance (Year to Date)

Top Performers (Year to Date)

Elite Material Co. Ltd., is a manufacturer of copper clad laminates (CCL), a material used in printed circuit boards. Strong and growing end demand, particularly in the AI space, where the market's expectations of Total Addressable Market continue to grow, has propelled the share price up 60.1% in the first half of this year. AI projects required more advanced chips which, in turn, require more CCL content. Elite Material in particular is expected to benefit as it holds dominant market share (over 70%) in the highest grade (M8) materials in the CCL space and is expected to be the first to market for the next iteration of highest-grade materials (M9).

China Medical Systems is a leading pharmaceutical licensor in China with growing in-house R&D and a strong sales network. Share price improvement (up 59.7%) was driven by news that the company is planning to spin-off its Dermavon subsidiary as a separate Hong Kong Stock Exchange listing, as well as improving sentiment of the Chinese Health Care space. The spin-off is expected to be executed in-specie, which would avoid shareholder dilution. Dermavon specializes in dermatology and has a diverse product and pipeline portfolio.

NetEase Inc., one of China's largest video game developers saw share price rise 53.5% in the first half of 2025. The global success of its Marvel Rivals game provides evidence the business can successfully grow its overseas business. Further game approvals earlier in the year and the domestic success of Where Winds Meets were also positive drivers, as was the return of the Blizzard partnership, which brought World of Warcraft back to mainland China. Additionally, strong performance reported for the first quarter of 2025 has led to rising earnings estimates, as well as a valuation rerating.

Bottom Laggards (Year to Date)

China Resources Gas reported results that came in sharply below sell-side expectations, resulting in a 19% drop in share price on the day and year-to-date decline of -33.3%. Gas distribution was weaker than expected on the back of a milder winter, as well as a marked slowdown in industrial demand. In addition, new residential connections outlook remains weak due to the muted real estate market in China. Management also changed their dividend policy. Previously, dividends were calculated as a percentage of total profits, which has, in recent years, included infrequent bumps from disposals as well as profits made from joint ventures. Management has decided to calculate future dividends on "core profits" instead, which to our mind means we should see a steadier dividend growth profile. However, this means that's the company reported an 18% cut in dividends, which has masked the fact that the underlying core dividends actually grew 3%. We will continue to monitor the company in coming quarters for any signs of core dividend deterioration, as well as further weakening outlook.

continued on following page...



Portfolio Performance (Year to Date)

Suofeiya Home Collection is a manufacturer of kitchen cabinets and cupboards and so has exposure to the real estate market. Share price fell -11.1% in the first half of 2025. New home sales in China have continued to drop so sales from this segment are likely to remain weak. However, the custom furniture industry is increasingly being driven by renovations of existing housing, which may help partially offset the new home sales drag. The domestic trade-in subsidy program has helped business but not as much as expected. Additionally, not all distributors have participated in the trade-in scheme due to cashflow constraints, although more may participate if further national trade-in programs are announced over the summer. Finally, the company only recognizes revenue for goods eligible for subsidies after furniture is installed, meaning revenue recognition takes longer compared to regular sales. Despite the challenges facing the sector, returns on capital have held up and a high dividend yield compensates us while we wait for policy to become more supportive.

Shenzhou International is a garment manufacturer with a global clientele including brands such as Nike, Adidas, Target and Uniqlo. The company's share price dropped over 25% as an initial reaction to Trump's Liberation Day tariffs. While there has been some recovery since (the company is down -8.8% year to date), the market continues to be concerned about the relationship between the US and China, as well as the uncertainty around remaining US tariffs with other trade partners. However, we highlight that Shenzhou International has mature overseas production capacity, and that direct sales to the US are relatively low (the company reported that only 16% of 2024 sales went to the US).

ADIV

The SmartETFs Asia Pacific Dividend Builder ETF

July 2025 Update



SmartETFs
by Guinness Atkinson

Portfolio Performance

As of 6/30/2025	YTD	1 Year	3 Year	5 Year	10 Year
ADIV at NAV	15.87%	24.80%	12.05%	11.25%	7.22%
ADIV at Market Price	16.75%	26.66%	12.20%	11.47%	7.33%
MSCI AC Pacific Ex-Japan NR	15.91%	19.50%	8.97%	5.89%	5.26%

Expense Ratio: 0.78% (net) | 4.11% (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, 2028.

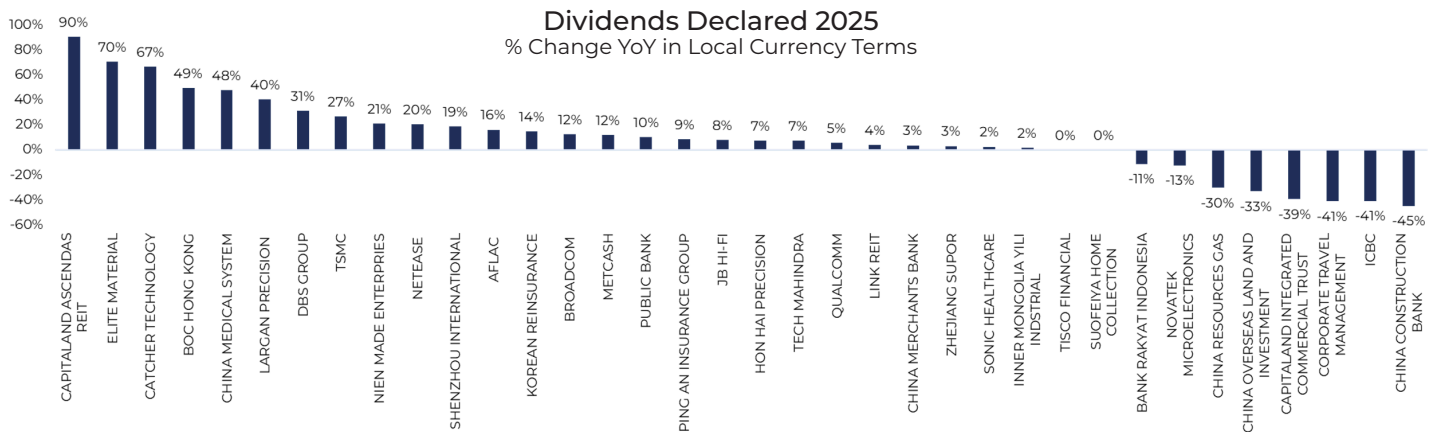
Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the 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](https://www.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.



Dividends

All our companies have now declared dividends in 2025, with twenty-six raising their dividend per share (DPS), two keeping their DPS flat, and eight reporting lower DPS. Both China Construction Bank and Industrial and Commercial Bank (ICBC) appear to have moved to a biannual dividend payout schedule. As such, instead of paying out the full amount in March, an interim dividend was paid out in August last year as well. When comparing these DPS figures together against last year's March payouts, both companies saw DPS growth. China Construction Bank's comparable DPS grew 4%, and ICBC's grew 6%.



Source: Company announcements. Data as of June 30, 2025.

Macro

There has been no shortage of market volatility in the first half of 2025, with a combination of unpredictable policy signals and unstable geopolitics that have kept markets on edge. US political decision-making this year has created widespread uncertainty.

From a trade perspective, we have seen US tariff escalations as an attempt to force trade renegotiations with trading partners. Sharp market reactions led to a 90 day pause on these new tariffs until 9th July, with claims from the Administration that they would reach "90 deals in 90 days". These claims have proven to be untrue, with Scott Bessent, the US Trade Secretary, recently noting that they expected 12 trade deals to be completed during the initial pause, and now the implementation date of these new tariffs has been delayed for a further month until 1st August. China was the sole country who was not party to the tariff pause. Instead, high tariffs announced for China resulted in a retaliatory tariff war. At the peak, the US imposed 145% tariffs on Chinese goods while China imposed 125% tariffs on American goods. De-escalation efforts in May resulted in the US lowering tariffs down to 30% and China lowering theirs to 10%, followed by further agreements related to non-tariff measures in June, including China lifting restrictions on certain rare earth exports.

continued on following page...



Macro (continued)

On foreign policy, the US is increasingly engaging with and aligning with parties involved in the continued unrest in the Middle East. On the domestic front, we have seen the passing of Trump's Big Beautiful Bill, creating a permanent extension of Trump's 2017 tax cuts, reducing Medicaid spend and phasing out renewable energy tax credits, whilst increasing spend related to immigration enforcement and defence. According to estimates released by the Congressional Budget Office, the passing of the Big Beautiful Bill is expected to increase the fiscal deficit by \$2.4tn over the next ten years (made up of a \$3.7tn revenue reduction, partially offset by a \$1.3tn reduction in outlays).

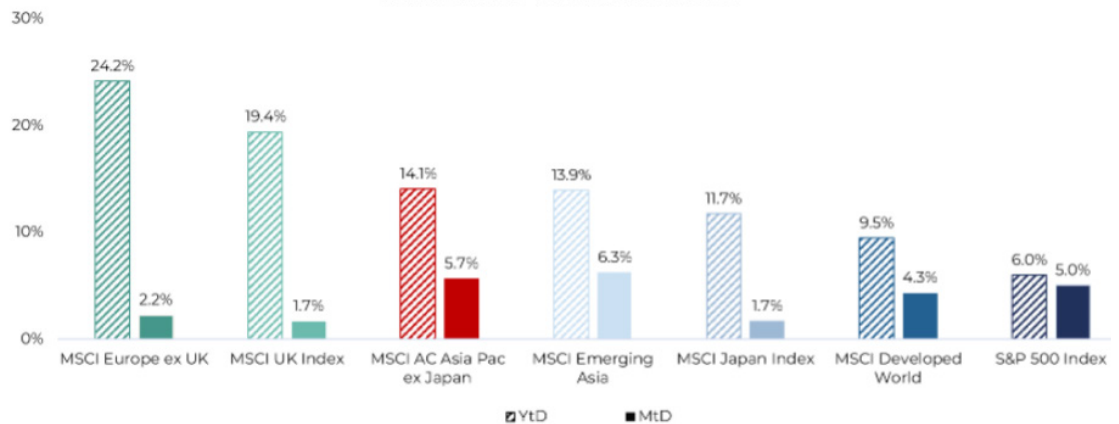
As a result, the longstanding dominance of US-driven market performance is increasingly being challenged by a more regionally distributed investment dynamic. Some of the reasons for this includes investors seeking to diversify income streams away from a weakening USD, and viewing other regions as more attractive on a valuation basis. This has led to outperformance in Europe and Asia versus the US on a year-to-date basis. While Europe is far ahead of Asia so far this year, we note Asia was the best performing region during the second quarter, and also during the month of June, helped by both Emerging and Developing economies.

Within Asia, performance in the first half of 2025 was driven by Korea, where the political environment has finally stabilized after months of political uncertainty following an attempt at imposing martial law by impeached president Yoon Suk Yeol. Hong Kong, Singapore and

China also contributed to outperformance. In China, there was a tech-driven rally at the beginning of the year, led by the initial Deepseek surprise in January, and followed by growing interest, not just in Chinese AI, but in broader Chinese technological innovations. This rally saw a sharp end at the start of the US-China tariff war but has mostly recovered as trade relationships improved and tariffs were lowered.

In Thailand, slowing consumption, weaker tourism, and concerns of US tariff impact have led to weak market performance. Household debt is now around 90% of GDP, limiting domestic consumers' ability to spend. Foreign investment continues to exit despite the government's attempts to stabilize the market through the launch of the Vayupak Fund in August 2024, which has the ability to allocate across different asset classes. At inception, over half of the Fund's resources was allocated to SET50 Index stocks (the

World Markets' Performance in USD



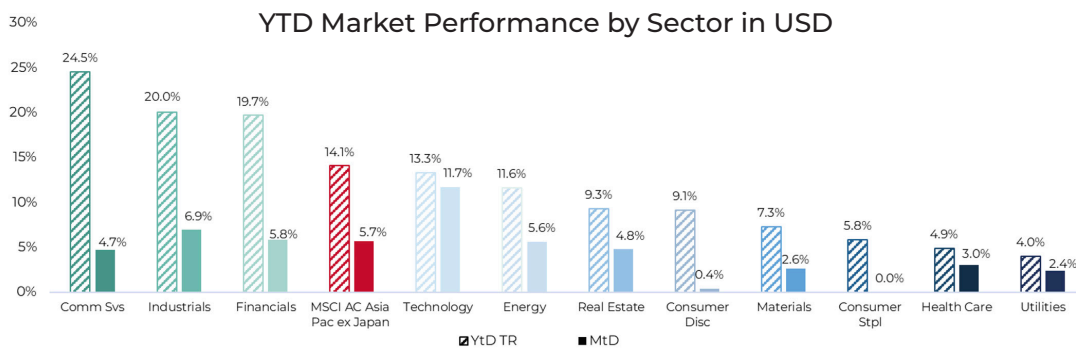
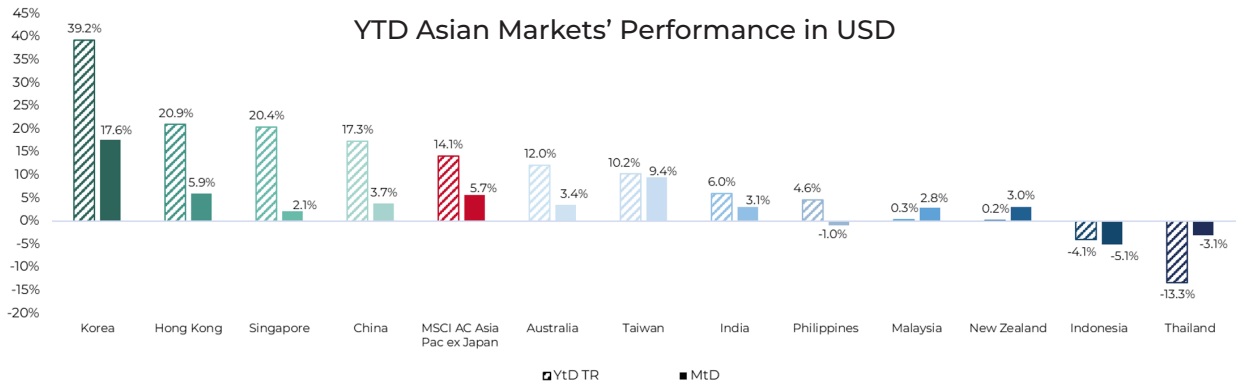
Source: Bloomberg, MSCI. Net returns in US dollars. Data as of June 30, 2025.

continued on following page...



Macro (continued)

top 50 companies listed on the Stock Exchange of Thailand) but the market has continued to fall, giving investors cause for concern. Additionally, at the end of June a leaked phone call between the Thai Prime Minister Paetongtarn Shinawatra and Cambodian Senate President Hun Sen sparked public outrage, leading to accusations of compromising national interests, and the eventual suspension of Paetongtarn from office.



Source: Bloomberg, MSCI. Net returns in US dollars. Data as of June 30, 2025.

From a sector viewpoint, all Asian sectors had positive performance, both in June and on a year-to-date basis. Communication Services, as a sector in Asia, has become increasingly diverse and now includes names that one might not traditionally consider a Communications Services name. Examples include NetEase (which we hold within our Fund) and is primarily a gaming company, and Sea Limited, a consumer internet company. It is these types of more consumer-focused, technology-driven companies that have driven the performance of the Communication Services sector so far in 2025. Industrials and Financials have been beneficiaries of the strategy shift to more regional diversification amid growing global economic uncertainty.

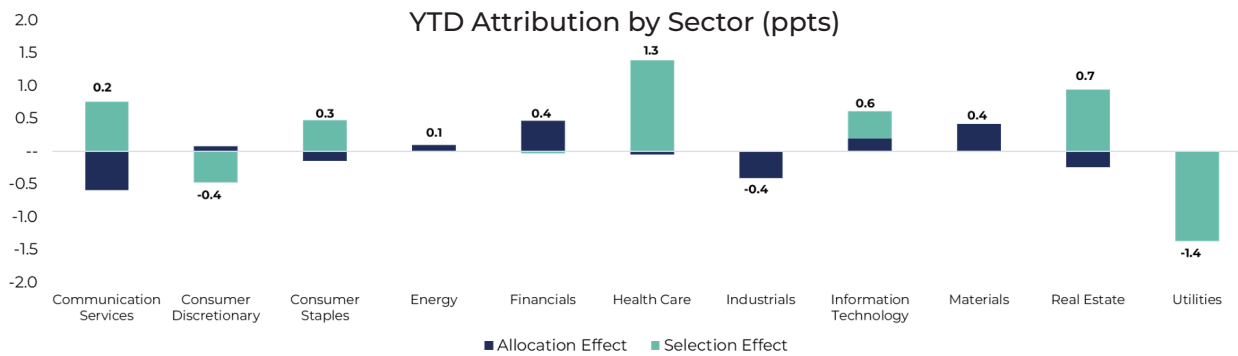
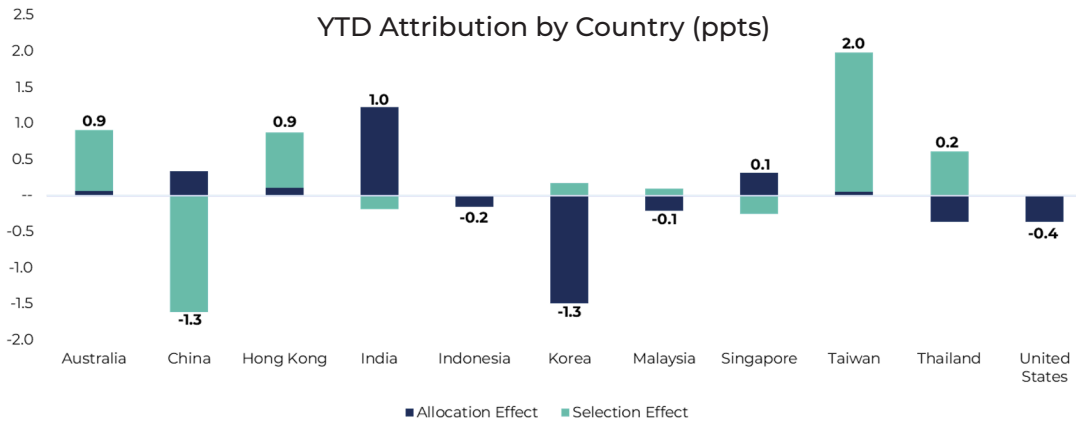
continued on following page...



Fund Review

Stock selection continues to be the main driver of the Fund's performance. The Fund's strategy prohibits us from holding the more heavily-weighted Chinese benchmark names (Tencent, Alibaba) as they have not historically paid a steady dividend, leading to our relative underperformance in China. For similar reasons, our investment universe, and indeed our Fund weighting to South Korea is smaller than the benchmark, leading to underperformance via allocation in this case.

Our equally-weighted strategy proved to be a contributor to relative performance in Taiwan, where we are underweight vs the benchmark in TSMC. As a reminder, we own three companies listed in the US: Qualcomm, Broadcom and Aflac. All three of these companies generate over 50% revenues from Asia, and so sit within our investment universe.



Source: Bloomberg, SmartETFs. Data as of June 30, 2025.

By sector, not holding the Chinese benchmark names cost us relative performance in the Consumer Discretionary sector. While we under-allocated to Communication Services, holding NetEase led to positive relative contribution from the sector. Similarly, the Fund had a marginally negative contribution from Health Care allocation but this was more than offset by the companies selected, in particular, China Medical Systems. In Technology, our underweight to TSMC was a positive contributor to relative returns,

continued on following page...



Fund Review (continued)

as was holding Elite Material Co, the top performing company in our Fund year-to-date. Our exposure to REITs provided positive relative contribution from Real Estate, whereas holding China Resources Gas, the Fund's worst performing stock year-to-date, led to our negative contribution to relative return from Utilities.

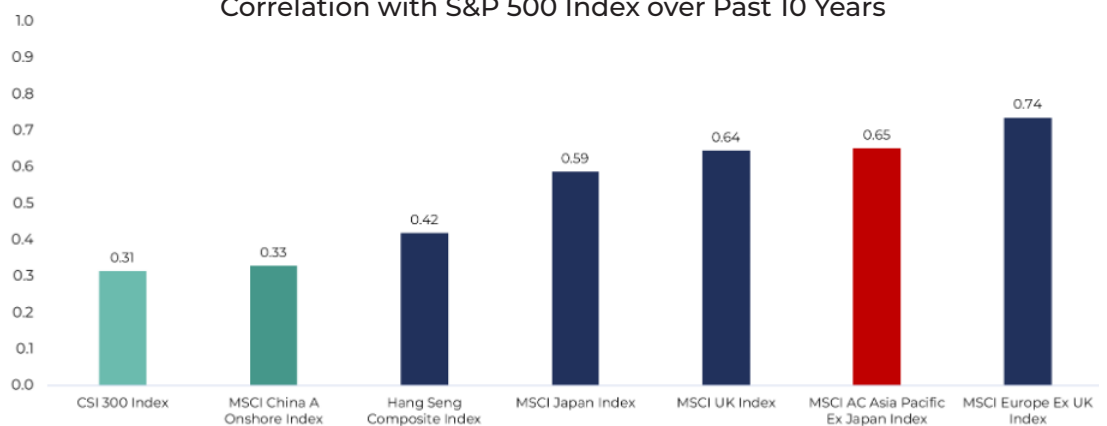
Outlook

Global politics and economics will likely continue to be complex and unpredictable through the second half of 2025. USD has remained weak relative to recent history, and investors are looking beyond the US for returns.

Both Asia and China are attractive diversification options for those looking to shift away from a heavy US-centric portfolio. Our benchmark index, the MSCI AC Asia Pacific ex Japan has a 0.65 correlation with the S&P 500, and unsurprisingly, the MSCI China A Onshore Index correlation with the S&P 500 comes in even lower, at 0.33.

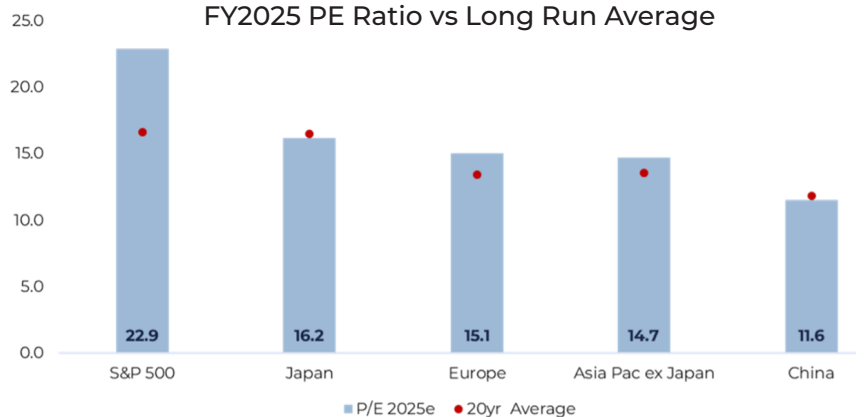
From a valuation perspective, Asia, and particularly China, look like attractive regions. In China, the market remains concerned over the sluggish macro-environment which we argue is driven by the country's ongoing transition away from property and towards the new pillar industries. For the past few years, the drag from property has been greater than the contribution from

Correlation with S&P 500 Index over Past 10 Years



Source: Bloomberg, SmartETFs calculations. Data as of June 30, 2025.

FY2025 PE Ratio vs Long Run Average



Source: Bloomberg, S&P 500 Index and MSCI Region & Country indices. Data as of June 30, 2025.

continued on following page...

ADIV

The SmartETFs Asia Pacific Dividend Builder ETF

July 2025 Update



SmartETFs
by Guinness Atkinson

Outlook (continued)

the new pillar industries, meaning that in aggregate, earnings revisions have been continuously revised downwards in China.

However, we do expect this to change over the next two years. Absent any large tariff shocks we expect the new pillar industries to become large enough to offset the remaining drag from the contraction in property by the end of 2026/early 2027. This should lead to eventual earnings revisions re-ratings for China as a whole, which may lead both domestic and foreign investors to reconsider the market.

In short, while markets remain unpredictable, we still see plenty of opportunities within Asia. Investors looking for regional diversification at attractive valuations will almost certainly be considering Asian markets. However, we remind readers that not all value opportunities are the same. For us, this means whilst we continue with our value discipline, our focus remains on looking for cash-generative, quality businesses that are able to operate through tough periods of economic cycles. To the end of June, this has resulted in 2025e P/E valuation of the Fund coming in at 12.3x, an 18% discount to the benchmark, while reporting a historic ROE of 16% vs the benchmark's 12%.

There's more where that came from!

Join our newsletter at SmartETFs.co/newsletter or follow us on Instagram [@SmartETFs!](https://www.instagram.com/SmartETFs)

ADIV

The SmartETFs Asia Pacific Dividend Builder ETF

July 2025 Update



SmartETFs
by Guinness Atkinson

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.

Dividends per Share (DPS) is the sum of declared dividends issued by a company for every ordinary share outstanding.

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.

SmartETFs.com

ADIV: July 2025

@SmartETFs