DIVS

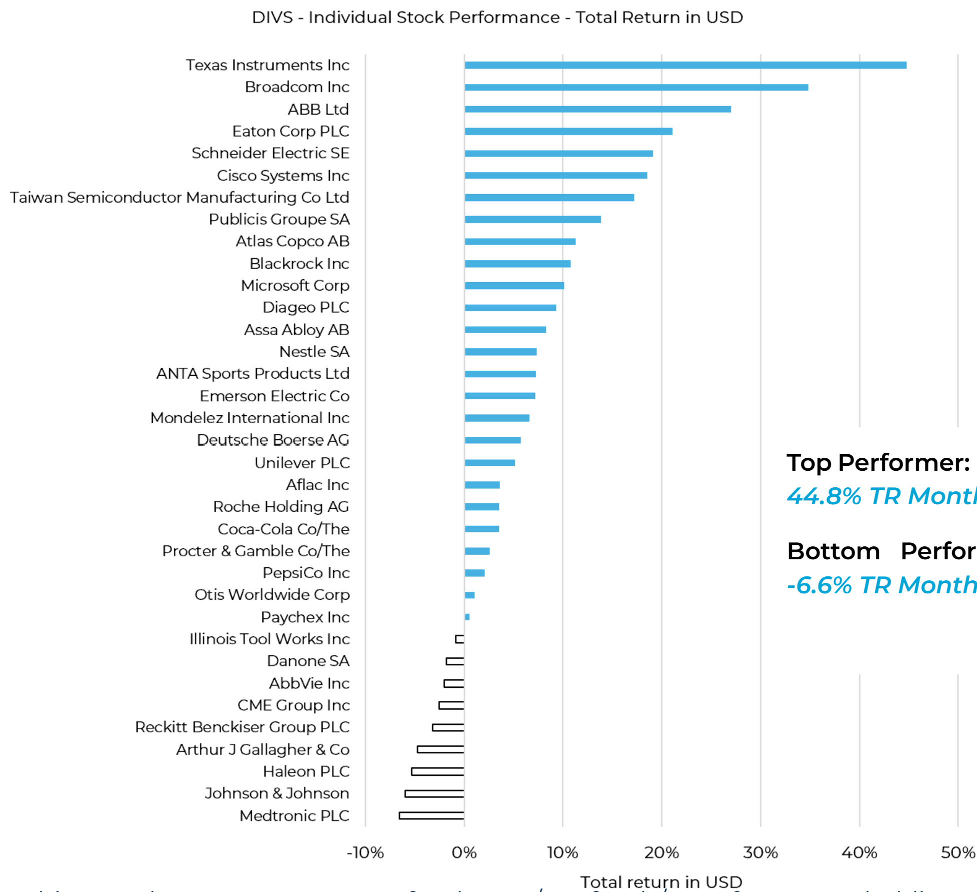
Guinness Atkinson Dividend Builder ETF

May 2026 Update

Portfolio Performance

as of 04/30/2026

In April, DIVS was up 7.62% (NAV basis, 7.15% market price)[1], while the MSCI World Index benchmark was at 9.59%. The Fund's underperformance versus the benchmark can be attributed to the Fund's overweight to Consumer Staples (21.5% vs 5.4% for the Index) was the largest detractor to relative performance. The sector returned +2.7% (USD), lagging the MSCI World benchmark +9.6% (USD). The overweight allocation to Health Care was also a headwind. The Fund's Health Care holdings returned -3.0% (USD) versus the sector benchmark return of -0.2% (USD), with weakness across names including bottom performing stocks Medtronic (-6.6% USD) and Johnson & Johnson (-6.0% USD).



Top Performer: ***Texas Instruments Inc, 44.8% TR Month to Date***

Bottom Performer: ***Medtronic PLC, -6.6% TR Month to Date***

Holdings are subject to change. Go to www.gafunds.com/our-funds/DIVS for current holdings.
In April, the Fund's underperformance versus the benchmark can also be attributed to:

[1] *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 gafunds.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.*

DIVS

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May 2026 Update

GUINNESS ATKINSON FUNDS

- While stock selection contributed positively to relative performance for the Fund as a whole, within Financials, stock selection was a headwind. Arthur J. Gallagher (-4.7% USD) and CME Group (-2.5% USD) weighed on relative returns, versus +7.7% (USD) for the Financials sector.
- The Fund's overweight to Industrials (28.4% vs 11.9% for the Index) was a positive contributor to relative performance, as a result of positive stock selection - in particular, ABB (+27.4% USD), Eaton (+21.1% USD), and Schneider Electric (+19.4% USD).
- Strong stock selection within IT was another notable tailwind, with Texas Instruments (+44.8% USD), Broadcom (+34.9% USD), TSMC (+22.4% USD), and Cisco (+18.4% USD) all delivering strong performance, continuing to benefit from the AI-driven data center and semiconductor cycle.

As of 04/30/2026	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (03/30/2012)
DIVS at NAV	5.78%	14.84%	12.67%	9.88%	11.53%	10.79%
DIVS at Market Price	5.70%	14.62%	12.26%	9.74%	11.49%	10. 76%
MSCI World Index NR	5.68%	29.16%	19.68%	11.28%	12.65%	11.36%

As of 03/31/2026	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (03/30/2012)
DIVS at NAV	-1.71%	6.86%	10.86%	9.20%	10.73%	10.28%
DIVS at Market Price	-1.35%	6.87%	10.77%	9.09%	10.73%	10.28%
MSCI World Index NR	-3.57%	18.90%	16.75%	10.26%	11.79%	10.71%

All returns over 1 year annualized. Expense Ratio: 0.45% (net) | 0.98% (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 0.45% through June 30, 2029.

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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 Dividend Builder Fund, an open-end mutual fund (incepted March 30, 2012). 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. 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.

A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The market price is the most recent price at which the fund was traded.

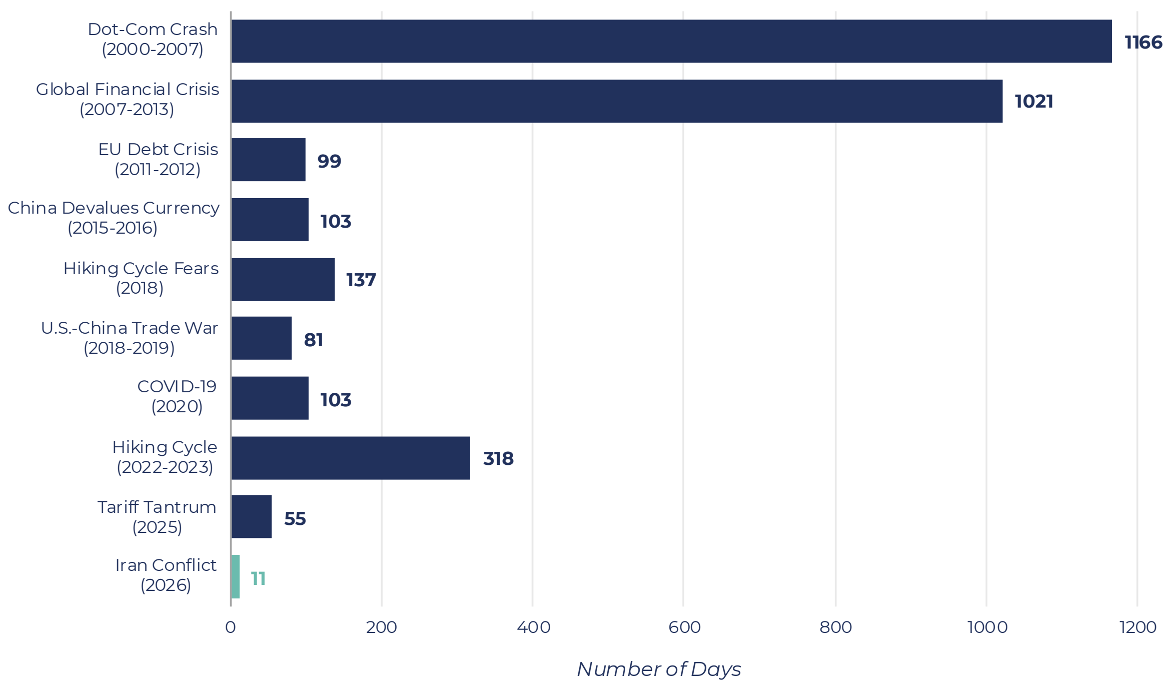
April 2026 in Review

Hormuz crisis continues but markets bounce back

The market right now is seemingly being driven by two dominant catalysts: on the one hand, a substantial energy supply disruption from the ongoing Iran war and, on the other, the ever-growing capital pouring into the AI buildout. For the time being at least, the latter seems to be winning. Even as April brought substantial escalations to the conflict, equity markets shrugged off further disruption to energy markets (Brent crude pushing $110 a barrel) with major indexes reaching new all-time highs. In fact, the dominant story over the month was just how well equities fared, as bullish AI sentiment fueled extraordinary performance in pockets of the market. The Philadelphia Semiconductor Index (SOX) gained almost 40%, while key emerging markets like Taiwan and South Korea also notched stellar gains, given their leading role in the global AI supply chain. Such was the strength of the rally that the S&P 500 recovered its 9.1% drawdown in just 11 days, the fastest recovery of this magnitude on record, as outlined by the chart below.

Fastest Market Recoveries

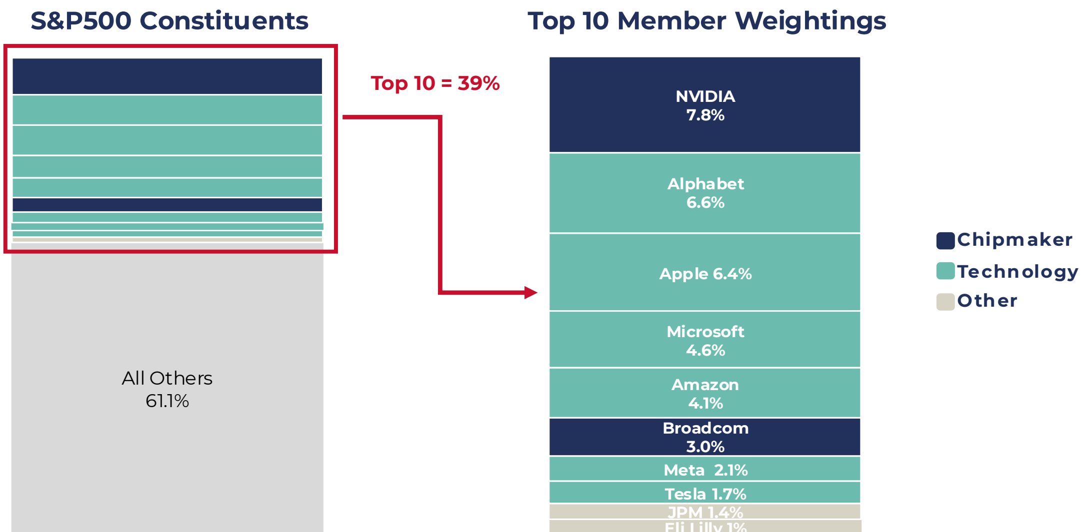
Time to recover a >9% loss in the S&P500



Source: J.P. Morgan, Bloomberg Finance Data as of April 30th 2026

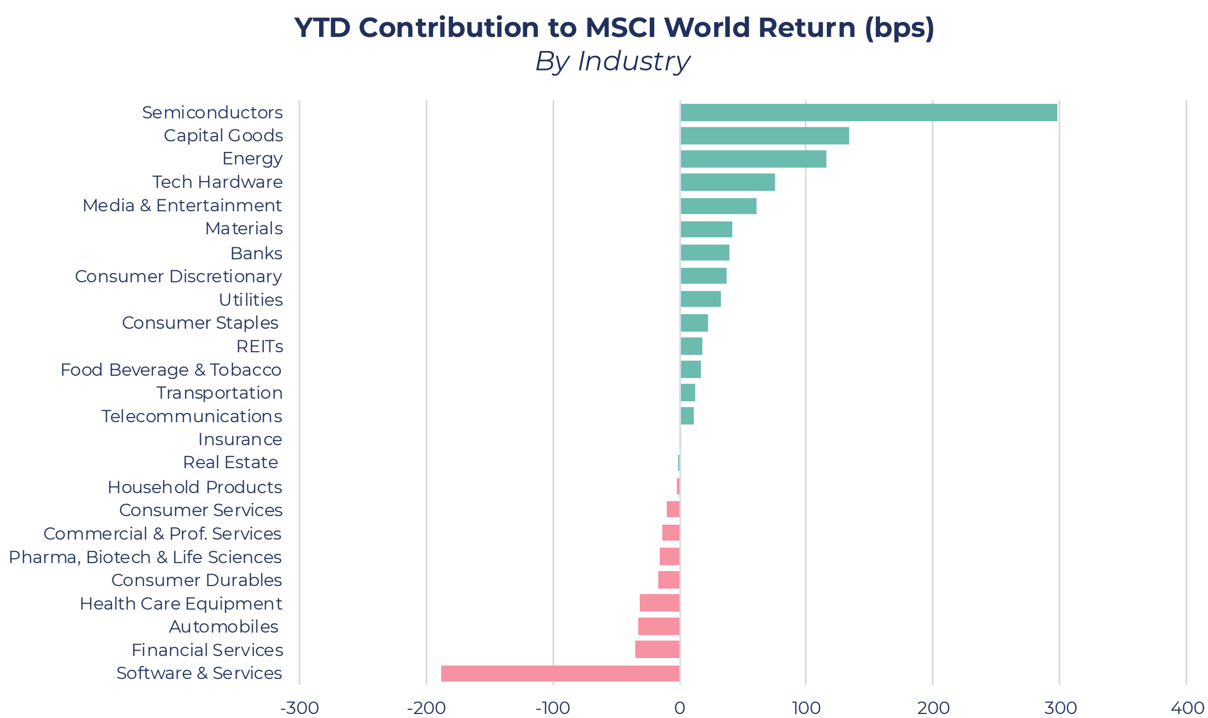
Index concentration remains a concern

Not only are these AI-exposed stocks seeing very strong performance in absolute terms, they are also making up an ever-larger share of the overall market. As a result of this Concentration, their performance is playing an increasingly important role in driving total index return. For example, the 10 largest names now make up 39% of the S&P 500, and of these 10 companies, 2 are chipmakers, 7 have direct or indirect exposure to the AI theme, and 8 are more broadly classed as technology stocks.



Source: Bloomberg, FactSet as of April 30th 2026

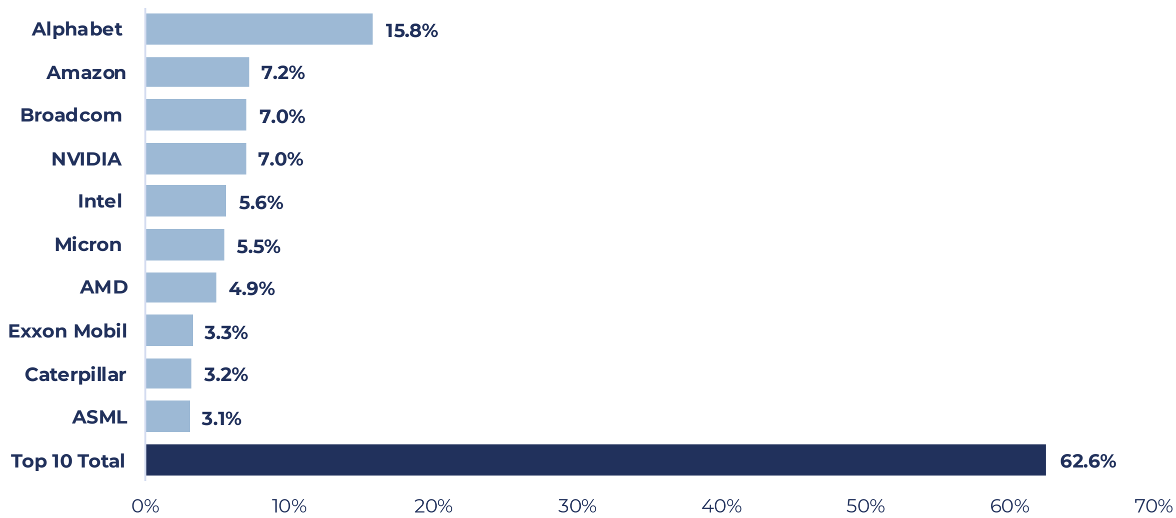
This is not just a US phenomenon. While concentration in the US market remains particularly pronounced, this trend is also mirrored when looking at a global level. For example, the chart below shows how year-to-date returns for the MSCI World have also been dominated by tech and tech-adjacent names, more specifically Semiconductors and Capital Goods, the latter being vital in enabling the data center buildout.



Source: Bloomberg, FactSet as of April 30th 2026

And when looking at individual names from an attribution perspective, the top 10 contributors have made up more than 60% of the index gains year to date, once more pointing to the narrowness of equity markets at present.

Percentage Contribution to MSCI World YTD Return(%)
By Individual Company

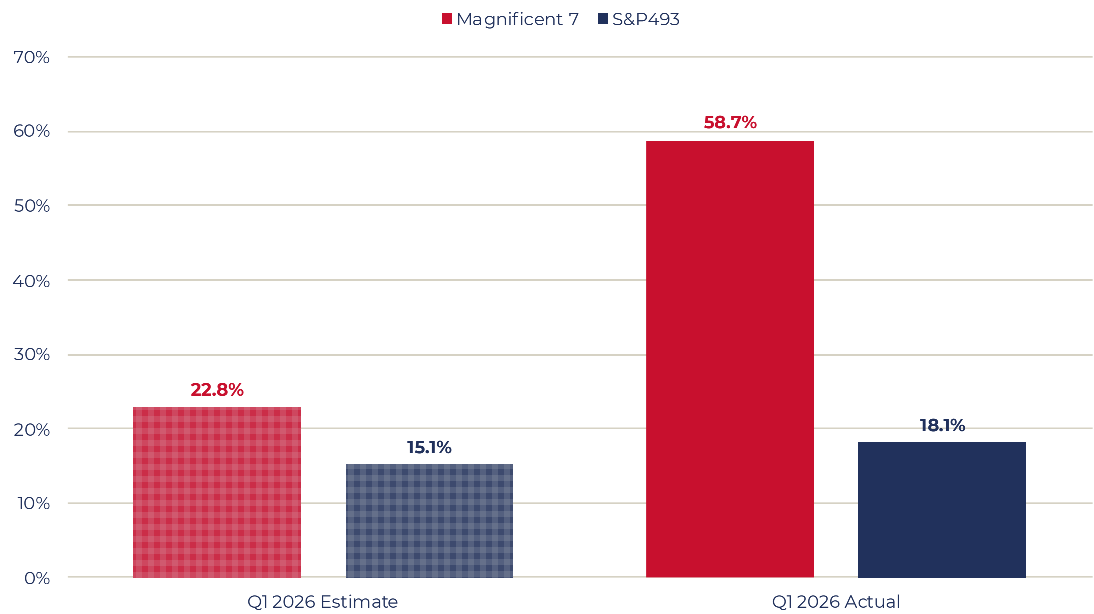


Source: FactSet as of April 30th 2026

Earnings season was a stand-out

These companies and many more released Q1 2026 results over the month, with April seeing around two-thirds of the S&P 500 companies reporting. Reassuringly, Q1 earnings have been remarkably robust so far. While the aggregate index earnings per share (EPS) growth rate of 25% was boosted by one-time benefits – mainly relating to tax reductions from the One Big Beautiful Bill Act – the underlying growth rate was still tracking in the mid-teens. Excluding the reopening period post-pandemic, this Q1 results season has seen the lowest frequency of EPS misses in over two decades. On a net income basis, 59% of those in the S&P 500 who have reported results beat market expectations, with an average beat of ~18%. Once again, this was disproportionately driven by the Magnificent 7 stocks, who reported aggregate net income growth more than double prior consensus estimates.

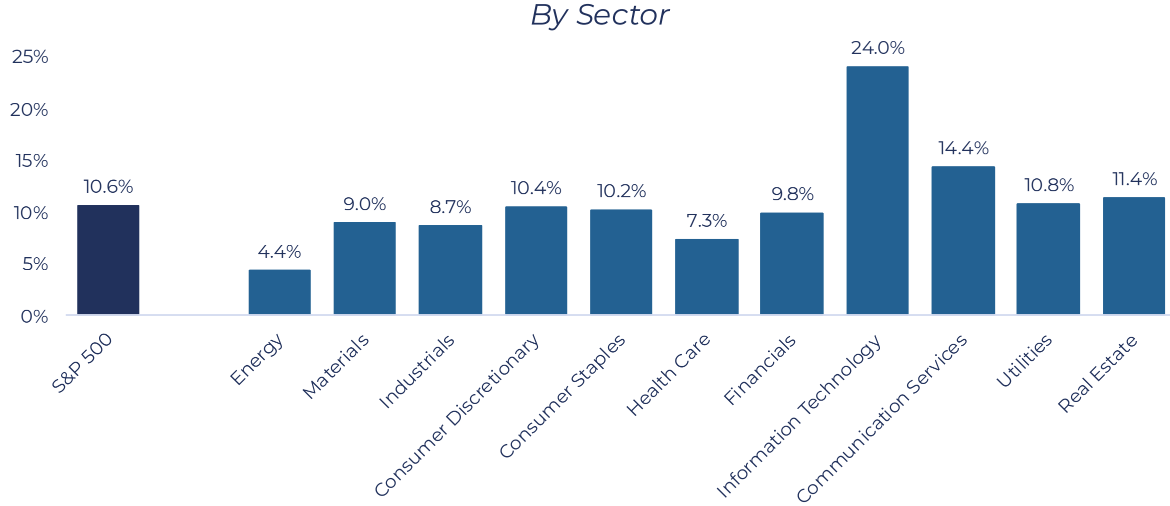
S&P500 Q1 2026 Net Income Growth (YoY): Magnificent 7 vs S&P 493



Source: Guinness Atkinson, Bloomberg as of April 30th 2026

The resilience of results across the index is impressive, particularly in light of Q1 overlapping with the conflict in the Middle East and subsequent energy shock. This might explain why the market has responded less positively than usual to earnings beats, with investors instead focusing on the potential for major supply chain disruptions stemming from the war. This is something to watch going forward but, for now, topline beats across all sectors point to underlying tailwinds supporting broad-based sales growth.

S&P500 Q1 2026 Sales Growth (%)
By Sector



Source: Guinness Atkinson, Bloomberg as of April 30th 2026

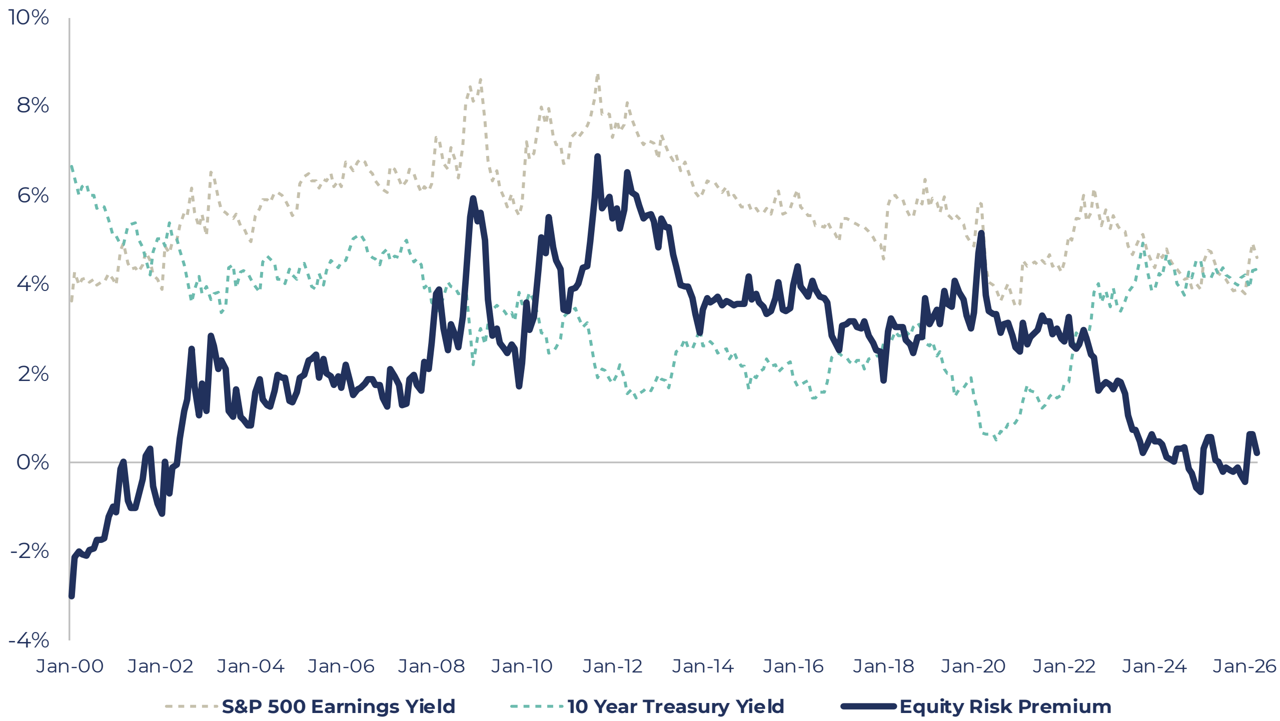
Inflated earnings: are the current index EPS figures sustainable?

Clearly many companies exposed to the AI trend are seeing a huge earnings tailwind from the immense hyperscaler capital expenditure (Capex) spend. The actual cash is being spent in real time, benefiting the downstream companies (chipmakers, memory, power companies etc) who are posting record earnings. However, it is worth remembering how this spend is accounted for. The costs incurred by the hyperscalers are predominantly capitalized and depreciated over several years. While this is standard accounting practice, it does question whether index earnings are being temporarily inflated as the bulk of the capex depreciation is yet to hit the bottom line. Of course, if the hyperscalers can monetize these assets going forward, then earnings can continue to grow but, if not, the market may be 'over-earning' in the short term.

Does this present a risk to equities?

Clearly the answer here is unknown, but the equity risk premium does show something interesting. When looking at the classic metric (subtracting the 10-year Treasury bond yield from the S&P 500 earnings yield) the current spread is essentially 0bps meaning, at present, equity investors are not being compensated for the additional risk of holding riskier assets. This gives no margin for error and suggests extreme enthusiasm for stocks.

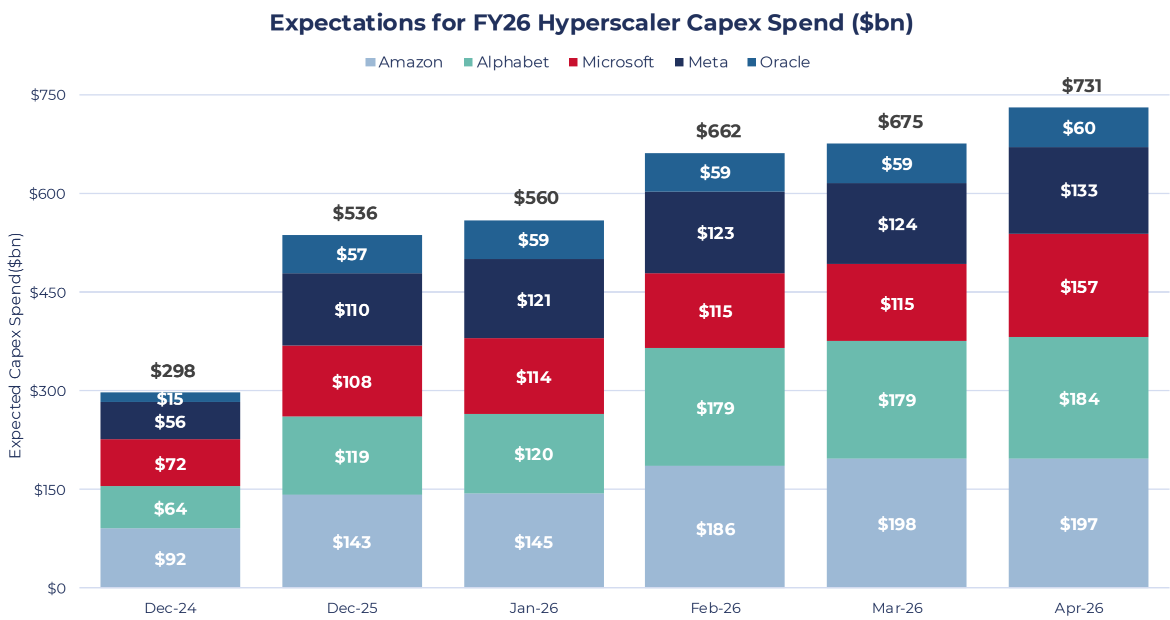
The S&P 500 Equity Risk Premium is ~0%



Source: Bloomberg as of April 30th 2026

Themes from earnings

This extreme enthusiasm for stocks is partly attributable to the tailwinds from ***hyperscaler capex increasing***, which was a core theme of the Q1 earnings season. Over the month, expectations for total FY26 hyperscaler capex increased by ~$55bn, as Q1 results saw some names upgrade their guidance targets. It is worth remembering that back in December 2024 the estimated capex spend for 2026 was $298bn, so the current estimate of $731bn has grown by $433bn in just 16 months.



Source: Guinness Atkinson, Bloomberg as of April 30th 2026

Hyperscalers have been deploying significant capital towards building out an increasing amount of data center capacity, on the premise AI-driven improvements will augment profitability. Within these higher capex outlooks, though, management teams pointed to ***higher input costs*** pushing spending budgets up even if the scale of planned investments were largely unchanged.

Microsoft (held in Fund):

"Inventory levels remained elevated with increased purchasing ahead of memory price increases…Rising memory prices would impact capital expenditures." – Amy Hood, CFO

Meta:

"[Increased 2026 capex guidance] reflects our expectations for higher component pricing this year and, to a lesser extent, additional data center costs to support future year capacity." – Susan Li, CFO

These companies argue that the demand for AI services outstripping supply justifies the quantum of spend being directed towards data center buildouts. Customers are quickly adopting AI services and doing so economically, being increasingly able to extract returns greater than the cost of these products.

Blackstone:

Blackstone

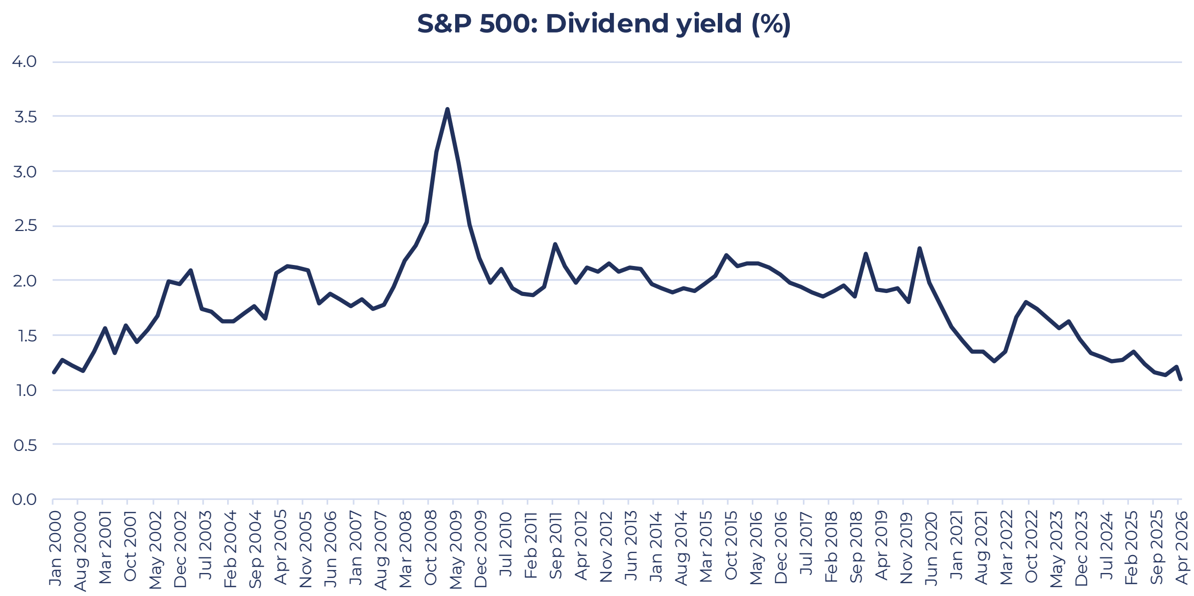
"At our companies…LLM [Large Language Model] spend was up 15-fold in Q1 this year over last." – Jonathan Gray, COO

Uber:

Uber

"Candidly, when we set up budgets for 2026 in November, we underestimated the amount of impact the AI tools could have." – Balaji Krishnamurthy, CFO

This spending boom is not without opportunity cost. As with all budgeting decisions, there are trade-offs, and more cash being funneled towards increasing capex means ***less available for shareholder payouts***. Despite strong growth in operating cash flow for US companies, both share buyback and dividend yields are near historic lows.



Source: Guinness Atkinson, Bloomberg as of April 30th 2026

Consequently, shareholders are more reliant on price return to bolster portfolio performance. As evidenced earlier by the contribution of Capital Goods to the benchmark's year-to-date returns, ***Industrials have been a key beneficiary*** of increasing capex being directed towards AI. Encouragingly, the sector is seeing robust demand beyond data centers, too, with management teams highlighting strength in various segments serving other end-markets.

ABB (held in Fund):

"Customers are also continuing to spend on upgrades of electrical infrastructure for land-based transport, and linked to transport, we still see good market conditions in the marine and rail markets." – Morten Wierod, CEO

Schneider Electric (held in Fund):

"Overall, we see a strong demand environment with Data Centre being the most dynamic, but now with strong demand across the other three end markets [Buildings, Industry, Infrastructure] also in Q1." – Nathan Fast, CFO

In contradiction to weak sentiment surveys and concerns about cost-of-living pressures, ***consumers are also continuing to spend***. Since the pandemic, there has been a marked dislocation between consumer confidence metrics and their observed behavior. This continued in Q1, with consumer-facing companies reporting solid results and management teams commenting that their customers are still spending.

Visa:

"Across our volume, both discretionary and non-discretionary spend remains strong. We do not see signs of the lower consumer spend weakening in our volumes."

– Christopher Suh, CFO

Starbucks:

"We haven't seen a lot of the macro effects trickle into consumer behavior... we saw broad-based spend growth across all income levels and age demographics."

– Brian Niccol, CEO

Portfolio Holdings

Texas Instruments (+44.8% USD)

Texas Instruments was the Fund's top-performing stock over the month, with shares rallying strongly both into and following what was an exceptionally strong earnings release. Sentiment had already been improving ahead of the print, supported by commentary at the company's recent Investor Day, where management highlighted stabilizing demand trends, improving factory utilization (supporting margins) and a clearer path to a free cash flow recovery following several years of elevated counter-cyclical capital expenditure. Broader semiconductor sentiment improved during the month as investors became increasingly optimistic that the industrial semiconductor cycle was bottoming, with peers also pointing to improving orders and inventory normalization. Against this backdrop, Texas Instruments benefited from growing confidence that its long-awaited cyclical recovery was beginning to materialize, particularly across its industrial business, which remains the company's largest and most important end-market.

The earnings release itself significantly exceeded expectations and drove the stock's strongest intraday reaction since 2001. Q1 revenue grew 19% year-on-year and 9% quarter-on-quarter, materially ahead of consensus and well above normal seasonal trends. Industrial was the standout end-market, accelerating more than 20% sequentially and over 30% year-on-year, while Data Centre continued to emerge as a structurally significant growth driver, expanding about 90% year-on-year as demand for power semiconductors used in AI infrastructure remained robust. The strength in revenues, alongside improved factory utilization and favorable mix, drove gross margins to 58.0%, up more than 200 basis points sequentially. Management also guided second quarter revenues, margins and EPS materially above consensus, while highlighting improving order momentum, broad-based demand trends, stable pricing and declining inventories, with no evidence of meaningful "panic buying" or pull-forward activity. All in, the combination of an accelerating industrial recovery, emerging structural AI-related growth and a return to positive cash flow trends reinforced investor confidence that the business is entering a stronger phase of the cycle.

Medtronic (-6.6% USD)

Medtronic was the Fund's bottom-performing stock over the month, falling 6.6% as sentiment was weighed by earnings dilution related to the MiniMed IPO and a late-month cybersecurity disclosure. In early March, Medtronic completed the carve-out IPO of its Diabetes business, MiniMed, which priced at $20 per share - meaningfully below the initial $25-28 range - with Medtronic retaining around 90% of the common stock. The carve-out allows Medtronic to focus its portfolio around higher-growth, higher-margin core medical technology businesses; however, the transaction has created short-term earnings noise. In late March, Management lowered FY26 EPS guidance to $5.52 at the mid-point, from $5.64 previously (-2%), primarily reflecting the expected dilution from the MiniMed IPO. With dilution higher than expected and a relatively disappointing debut to the stock market for MiniMed, Medtronic's share price carried negative momentum into April, and sell-side analysts steadily reduced earnings estimates throughout the subsequent month as they updated their models. Sentiment was further dampened late in April when the company disclosed a cybersecurity breach. While Medtronic confirmed that patient safety, hospital customer networks, manufacturing operations, distribution and financial reporting systems were separate and unaffected, the incident has added to further negative momentum for the stock.

While it was a difficult period for the stock, Medtronic remains a high-quality, diversified medical technology leader with strong positions across Cardiovascular, Neuroscience and Medical Surgical, supported by resilient demand, defensive cash generation and durable relationships with physicians and hospitals. The investment case rests on the potential for a sustained organic growth reacceleration, driven by an increasingly exciting pipeline. With management reshaping the business, increasing R&D investment and separating the lower-margin Diabetes segment, we believe Medtronic is better positioned for more resilient shareholder returns, supported by improving product momentum, portfolio simplification, margin potential and a about 3% dividend yield, despite near-term pressure from earnings dilution and cybersecurity noise.

We thank you for your continued support.

Portfolio Managers

Matthew Page, CFA   Dr Ian Mortimer, CFA

Important Information

Basis Points (bps) are a unit of measurement used to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form.

MSCI World Index captures large and mid cap representation across 23 Developed Markets countries. With 1,583 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

S&P 500 Index is a market-capitalization-weighted index of 500 leading publicly traded companies in the U.S.

MSCI World Value Index captures large and mid-cap securities exhibiting overall value style characteristics across 23 Developed Markets countries. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

MSCI World Growth Index captures large and mid-cap securities exhibiting overall growth style characteristics across 23 Developed Markets countries. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend.

World Software Index is designed to capture the large and mid cap segments across 23 Developed Markets (DM) countries. All securities in the index are classified in the Software & Services industry group (within the Information Technology sector) as per the Global Industry Classification Standard (GICS®).

Consumer Price Index is a weighted average of prices for a basket of goods and services representative of aggregate U.S. consumer spending.

The **PHLX Semiconductor Index (SOX)** consists of companies focused on semiconductor products such as microchips, computers, and networking equipment.

Indexes are unmanaged. It is not possible to invest directly in an index. Past performance is no guarantee of future results.

Software as a Service (SaaS) is a software delivery model where applications are hosted remotely by a vendor and accessed over the internet, typically by a subscription.

Return on Investment (ROI) is a key profitability metric calculated by dividing net profit by the total cost of an investment, expressed as a percentage.

Beta is a measure of the volatility of a security compared to the market as a whole.

Median Return on Capital is a profitability metric that measures the median return a company generates from the capital invested in its business, helping show how efficiently it uses its capital to produce profits over a given period.

Median Net Debt to Equity is a leverage metric that shows the median ratio of a company's net debt to its shareholders' equity, helping indicate how much debt a company uses to finance its operations relative to the value of its equity.

Weighted Average Payout Ratio is an income metric that shows the average proportion of earnings companies return to shareholders through dividends, weighted by each company's relative size in the portfolio or index.

Price to Earnings Ratio is a stock valuation metric that compares a company's share price to its earnings per share.

Capex (Capital Expenditure) refers to funds a company spends on acquiring, upgrading, and maintaining long-term physical assets such as property, buildings, technology, or equipment aiming to increase operational capacity or future value.

Earnings Per Share (EPS) is a company's net profit divided by the number of common shares it has outstanding. It indicates how much money a company makes for each share of its stock and is a widely used metric for estimating corporate value.

Compound Annual Growth Rate (CAGR) is the rate of return that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's life span.

Personal Consumption Expenditures (PCE) Index is a measure of the prices that US consumers pay for goods and services.

Dividend yield is a financial ratio showing the return an investor would earn from an investment based solely on its dividend payments.

Capital goods are used to produce other goods and services, including machinery and equipment used in manufacturing.

The **price return** is the rate of return on an investment portfolio, where the return measure takes into account only the capital appreciation of the portfolio, while the income generated by the assets in the portfolio, in the form of interest and dividends, is ignored.

A rate of return (RoR) measures the financial gains or losses an investment generates relative to its initial cost

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.gafunds.com. Read the prospectus or summary prospectus carefully before investing.

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.

Investing in securities involves risk and there is no guarantee of principal.

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