The Future of Consumption: A Digital Revolution in Emerging Markets
EMQQ Team

**Kevin T. Carter**
Mr. Carter is the Founder of The Emerging Markets Internet ETF (NYSE: EMQQ). He has been a featured speaker for Columbia Business School, Bloomberg, Guggenheim Partners, Morningstar and the CFA Society. Previously, Mr. Carter was the Founder & CEO of AlphaShares, an investment firm offering three China focused ETFs in partnership with INVESCO. These ETFs trade on the NYSE with the ticker symbols CQQQ, TAO & HAO. Mr. Carter was also the Founder & CEO of Active Index Advisors acquired by Natixis in 2005 and the Founder & CEO of eInvesting acquired by ETRADE in 2000. Mr. Carter began his career in 1992 with Robertson Stephens & Co.

**Dr. Burton Malkiel**
Dr. Malkiel serves as an Advisor to EMQQ. Dr. Malkiel is the Chief Investment Officer of WealthFront and a long time Professor of Economics at Princeton University. In 2002 he was a co-Founder and Chief Investment Officer of Active Index Advisors. He is widely considered one of the pioneers of index investing and ETFs. He has served as a member of the Board of Directors of Vanguard, Dean of the Yale School of Management and as Chairman of the Princeton University Economics Department. Dr. Malkiel is also well known for his seminal work *A Random Walk Down Wall Street*. Dr. Malkiel holds B.A. and MBA from Harvard and a Ph.D. from Princeton University.

**Richard Kang**
Mr. Kang is a Member of the EMQQ Index Committee. Mr. Kang has the experience of over 25 NYSE listed ETF launches and was previously the Chief Investment Officer of EGShares and Portfolio Manager of the Columbia Emerging Markets Consumer ETF (NYSE: ECON). Over his 20 years of buy-side experience, Richard has had senior roles at a hedge fund, fund-of-hedge fund, investment counseling firm, index provider and ETF issuer/managers. He sits on FTSE's Country Classification Indexing Committee as well as the editorial board of Institutional Investors' The Journal of Index Investing, the only academic journal for the indexing and ETF industry.

**Linda H. Zhang, Ph.D.**
Dr. Zhang serves as a Member of the EMQQ Index Committee. She is the CEO of New York based Purview Investments, a firm specializing in active ETF managed solutions and ETF innovation. Her career spans from quantitative analysis at Baring Asset Management, multi-asset portfolio management at Blackrock and MFS, to leading the investment team at Windhaven. She is a recipient of Top Women in Asset Management 2015 by Money Management Executive and a co-founder of Women in ETFs. She holds B.A. from University of Regina, Canada, M.S. and Ph.D. in Finance from University of Massachusetts at Amherst.
EMQQ Team

Kyle Parker
Mr. Parker serves as President of EMQQ. Prior to EMQQ, Mr. Parker worked at Progress Investment Management Co., the San Francisco based firm focused on minority and women-owned emerging managers. He previously worked at AlphaShares, an investment firm founded by Mr. Carter and Dr. Malkiel, offering Emerging Markets and China focused ETF’s in partnership with Guggenheim Investments. Mr. Parker holds a B.A. in Economics from the University of California, Santa Barbara.

Lee Stapleton
Ms. Stapleton serves as Chief Marketing Officer of EMQQ. Prior to EMQQ, Ms. Stapleton founded two internationally successful impact campaigns promoting economic, social and environmental sustainability. Ms. Stapleton received a degree in Spanish, Nonprofit Management & Leadership Studies, and Public Administration, with a pooled concentration in Environmental Studies from the University of North Carolina Wilmington.

Latif Nathani
Mr. Nathani serves as an Advisor to EMQQ. He was most recently the CEO of eBay India. He grew the business from under $200M GMV in 2013 to nearly $500M GMV in 2016 and 5M+ customers. He exited with the sale of eBay India to Flipkart. Previously Latif co-founded eMemories.com and 2 enterprise businesses at Microsoft. He also led global product marketing at Symantec and named/launched Norton 360. Latif has 27 years of technology industry experience, including 15 years at Microsoft. Latif graduated with an MBA from City University and B.S. Computer Science from the University of Arizona in 1991.

Lin Li
Lin Li serves as an Advisor to EMQQ. Mr. Li is a Portfolio Manager at Huatai Securities, a Chinese investment manager based in Nanjing trading Chinese equities and index derivatives on mainland (Shanghai & Shenzhen) and international markets (Hong Kong and New York). Previously, Mr. Li was as an analyst for AlphaShares, an Emerging Markets investment firm located in San Francisco. He holds Master’s degree in Financial Analysis from University of San Francisco and a B.S. in Engineering from Chongqing University in China.
The Case For Emerging Markets
What are Emerging Markets?

Emerging Markets
Frontier Markets
*MSCI & FTSE Disagree

Americas
- Brazil
- Chile
- Columbia
- Columbia
- Mexico
- Peru
- Argentina

Africa
- South Africa
- Kenya
- Mauritius
- Morocco
- Nigeria
- Tunisia

Europe
- Czech Republic
- Greece
- Hungary
- Poland
- Russia
- Turkey
- Croatia
- Estonia
- Lithuania
- Kazakhstan
- Romania
- Serbia
- Slovenia

Middle East
- Egypt
- Qatar
- United Arab Emirates
- Bahrain
- Jordan
- Kuwait
- Lebanon
- Oman

Asia
- China
- India
- Indonesia
- Korea*
- Malaysia
- Pakistan
- Philippines
- Taiwan
- Thailand
- Bangladesh
- Sri Lanka
- Vietnam

Source: MSCI Classifications as of November 2018
The Case for Emerging Markets

- **Different - Diversification benefits vs. Developed Markets**
  - Correlation to S&P 500 < 1.0

- **Bigger - Larger Consuming Population**
  - 85% of global population and 50% of global GDP

- **Younger - Favorable Demographics**
  - Millennials and Gen Xers spend 50% more time shopping online than Baby Boomers and Seniors

- **Growing Faster**
  - Consumption
Emerging Markets are 85% of the World

World Population

Emerging & Frontier Markets: 6,205,000,000
Developed Markets: 1,095,000,000

5.6x
Emerging Markets Have Better Demographics

World Population Under Age 30

- Emerging & Frontier Markets: 3,212,146,000
- Developed Markets: 364,854,000

Ratio: 8.8x
Emerging Markets are Passing Developed Markets
The Growth of the EM Consumer is THE Story

“…the biggest growth opportunity in the history of capitalism…”

- McKinsey & Company

Source: McKinsey Global Institute
Investing in Emerging Markets
#1 Problem: State Owned Enterprises (SOEs)

SOEs
Companies owned and controlled by the government in order to partake in commercial activities on the government's behalf

CONFLICTS OF INTERESTS
INEFFICIENT
POOR CORPORATE GOVERNANCE
WIDESPREAD CORRUPTION

Largest Emerging Market ETFs have ~30% in SOEs
#1 Problem: State Owned Enterprises (SOEs)

\[ \sim 30\% \text{ of EEM & VWO are SOEs} \]
Oligarchs & Korean Chaebol = kind of SOEs
#2 Problem - Country Weights in “the Indexes”

<table>
<thead>
<tr>
<th>GDP per capita (current US$)</th>
<th>Developed</th>
<th>Emerging</th>
<th>Frontier</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45,000</td>
<td></td>
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<td></td>
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<td>40,000</td>
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<td></td>
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<td>20,000</td>
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<td>15,000</td>
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<td></td>
</tr>
<tr>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Rostow stages of economic development, World Bank

**Stage 1: Traditional Society** (subsistence, barter, agriculture)

**Stage 2: Transitional Stage** (Specialization, surpluses, infrastructure)

**Stage 3: Take Off** (Industrialization, productivity advances, growing investment)

**Stage 4: Maturity** (Diversification, innovation, investment, consumption)

**Stage 5: Mass Consumption** (Consumer goods flourish, dominant service sector)
Questions about EM Index Weights

Does This Make Sense?

**MSCI EM Index Weights**

- **India**: 9.01%
- **S. Korea**: 12.90%
- **Taiwan**: 11.48%

Source: [www.ishares.com](http://www.ishares.com).
EM 3.0 - The Evolution of Emerging Markets Investing

Endowment and foundation emerging market exposure has gone through a number of phases over the years as familiarity and allocation grows so to does the variegated approach.

**EM 1.0**
“Toe in Water”

EM 2.0
Increased

EM 3.0
Index Weight +

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**Harvard Endowment Emerging Market Exposure**

<table>
<thead>
<tr>
<th>Year</th>
<th>Index</th>
<th>Emphasis</th>
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<tr>
<td>2005</td>
<td>H</td>
<td>6%</td>
</tr>
<tr>
<td>2008</td>
<td>H</td>
<td>8%</td>
</tr>
<tr>
<td>2016</td>
<td>H</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

- **China**: 3%
- **EM Consumer**: 5%
- **Frontier**: 2%
- **Other**: 5%

Something Big is Happening in Emerging Markets: The Great Confluence
The Growth of the EM Consumer is THE Story

“...the biggest growth opportunity in the history of capitalism...”
- McKinsey & Company

Source: McKinsey Global Institute
Apple CEO Steve Jobs demonstrated the first iPhone at the Macworld expo in 2007.
Smartphones Changing Our Consumption Patterns

OLD WAY
Smartphones Changing Our Consumption Patterns

NEW WAY
## Increasing Smartphone Affordability

### AVERAGE SELLING PRICE OF A SMARTPHONE BY REGION

<table>
<thead>
<tr>
<th>Region</th>
<th>2013</th>
<th>2017</th>
<th>Price Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>$531</td>
<td>$567</td>
<td>6.80%</td>
</tr>
<tr>
<td>Europe</td>
<td>$419</td>
<td>$259</td>
<td>-38.20%</td>
</tr>
<tr>
<td>Middle East and Africa</td>
<td>$338</td>
<td>$230</td>
<td>-32.00%</td>
</tr>
<tr>
<td>Latin America</td>
<td>$288</td>
<td>$246</td>
<td>-14.60%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>$262</td>
<td>$215</td>
<td>-17.90%</td>
</tr>
</tbody>
</table>
Mobile Broadband = First Internet Connection for EM

2018 Smartphone Penetration by Country

Source: Newzoo Data, CapIQ, CB Insights
Smartphone Penetration Still Early in Developing World

2018 Smartphone Penetration by Country

- **Emerging Economies**
- **Developed Economies**

Source: Newzoo Data, CapIQ, CB Insights
U.S. VC Funding EM Entrepreneurs
Result #1 = Massive Revenue Growth (CAGR ~38.5%)
Result #2 = Value Creation

EMQQ Index vs MSCI EEM Index
As of 2/14/2020

Growth in US Dollars

Source: Big Tree Capital Data
- The performance depicted is of the Index and is not an investible product and contains backdated data. Live performance can be found at www.emqqindex.com.
BABA - Largest IPO in U.S. History
Social Networks – Tencent (HK: 0700)

**U.S.**

![Facebook](image1)

**China**

![WeChat](image2)

![Tencent](image3)
Mobile Payment Adoption is Pervasive
Mobile Payment Adoption is Pervasive
Mobile Payment Adoption Rapidly Expanding

China's Total Online Transactional Value ($Trillions)

- 2013: $0.2
- 2014: $2.2
- 2015: $1.9
- 2016: $9.2
- 2017: $15.4
- 2018e: $25.9

China’s Mobile Payment Market Shares

- AliPay: 54%
- WeChat Pay: 38%
- Others: 8%
MELI – “The Amazon/PayPal of Latin America”
YNDX – “The Google & Uber of Russia”
MMYT – “The Expedia of India”
JMIA – “The Amazon.com of Africa”
Private Companies - Didi
Private Companies - Paytm
Impacts from Trade War and Coronavirus
Recent Performance Correlated to the Trade War

Trailing 3 Years as of Jan 14, 2020

**1/2018** - U.S. imposes tariffs on washing machine and solar cell imports

**3/2018** – Start of China trade war: Trump signs tariffs on Chinese imported steel and aluminum

**11/2018** - G20 Summit in Buenos Aires marks the change in narrative to “constructive” talks with China

**2017 CY**  
+68.2%

**2018 CY**  
-29.8%

**2019 CY**  
+33.9%

**2017**  
Avg YoY EMQQ Revenue Growth  
+36.1%

**2018**  
Avg YoY EMQQ Revenue Growth  
+31.2%

**2019E**  
Avg YoY EMQQ Revenue Growth  
+30.3%

Source: Ycharts. Performance from Big Tree Capital with 2019 Revenue an Estimation
Our View on Trade War and Significant Correction

• U.S. Initiated Trade War has sparked fears in investors

• We have a strongly mixed view on Trade War:
  – Academia considers tariffs a bad thing (see Smoot Hawley tariffs; https://en.wikipedia.org/wiki/Smoot%E2%80%93Hawley_Tariff_Act)
  – However, China as an economic force, has perhaps outplayed us the past 20 years as the average Chinese citizen has seen standard of living has increased dramatically vs. U.S. citizens.

• Fundamental Impact to EMQQ Should be Small
  – Trade wars are about steel, cars, pigs and sorghum while EMQQ is about people in China, India, Africa etc. accessing information, buying food, hailing rides, etc. on their smartphones.
Our Speculation on Near Term Outlook – BEFORE CV-19

Headline 10.15.19: “Hong Kong protesters burn LeBron James jersey, chant profanity toward Lakers star”
Our Speculation on Near Term Outlook (as of 3.2.20)

• Seems very likely CV-19 will be a global pandemic
  – February 24 – Harvard University epidemiologist Marc Lipsitch is predicting the coronavirus "will ultimately not be containable" and, within a year, will infect somewhere between 40 and 70 percent of humanity. – The Atlantic
  – February 24 - “If we’re putting all our hopes in a vaccine as being the answer, we’re in trouble,” Jason Schwartz, an assistant professor at Yale School of Public Health who studies vaccine policy, told me. – The Atlantic
  – February 28 - “The writing has been on the wall. The chances of stopping [coronavirus’] spread have dwindled to a very, very low probability.” - Harvard epidemiologist Michael Mina

• Ultimate Black Swan
  – Markets don’t like uncertainty and the CV-19 pandemic is the ultimate in uncertainty
  – Likely sharp increase in spread and headlines over the coming week & weeks

• Just getting started in U.S.
  – Expect High Volatility for months
  – US Economy going to suffer
  – Overwhelming of health care system & hoarding?

• Fundamental Impact on EMQQ
  – Forcing rapid adaption of some elements of EMQQ story (ex. Food delivery) Hurting other elements (ex. Travel)
  – Substantial “pain points” created by the virus are acting as a catalyst in accelerating the adoption and usage of these digital first businesses – “the quarantine economy”
  – China and global GDP and consumption likely to take major hit in 2020
    – Discretionary consumption demand likely to decline
    – Supply side also likely to be affected negatively
EMQQ Index Valuation Data

**EMQQ Index YoY Revenue Growth Rate vs Annual Return (As of Dec 31, 2019)**

- **Avg. EMQQ YoY Revenue Growth**
- **EMQQ Total Return**
- **Avg. S&P YoY Revenue Growth**

<table>
<thead>
<tr>
<th>Year</th>
<th>Avg. EMQQ YoY Revenue Growth</th>
<th>Avg. S&amp;P YoY Revenue Growth</th>
<th>Avg Forward PE at End of Year</th>
<th>EMQQ Total Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>40.7%</td>
<td>2.43%</td>
<td>33.29</td>
<td>---</td>
</tr>
<tr>
<td>2015</td>
<td>34.1%</td>
<td>-4.84%</td>
<td>33.85</td>
<td>4.96%</td>
</tr>
<tr>
<td>2016</td>
<td>35.0%</td>
<td>-0.65%</td>
<td>31.57</td>
<td>-3.24%</td>
</tr>
<tr>
<td>2017</td>
<td>36.1%</td>
<td>9.40%</td>
<td>41.92</td>
<td>68.20%</td>
</tr>
<tr>
<td>2018</td>
<td>31.2%</td>
<td>9.55%</td>
<td>23.17</td>
<td>-29.22%</td>
</tr>
<tr>
<td>2019</td>
<td>30.3%*</td>
<td>8.65%*</td>
<td>30.16</td>
<td>33.86%</td>
</tr>
</tbody>
</table>

*2019 Revenue is an estimated projection

Data from Bloomberg and analysis from Big Tree Capital LLC
The Case for the Emerging Markets Internet Sector

• **Growth - The Great Confluence**
  – EM Consumer + Smartphones + Internet via Mobile Broadband
  – Ecommerce models “leapfrogging” traditional models
  – Ecommerce growing 5x as fast as consumption

• **Better Corporate Governance**
  – No State Owned Enterprises
  – Most companies backed by U.S. VC & trade on U.S. exchanges

• **Exposure to Private Companies & Frontier Markets**

• **Valuations Seem Compelling**
The Future Of Emerging Markets is Here.

Q&A

Contact for more information:
Kyle Parker
kparker@emqqindex.com
EMQQ Index Overview

• Includes 77 Publicly Traded Emerging Markets Internet Companies

• Rules Based Index
  – All companies with >50% of revenue from internet and/or ecommerce in emerging and frontier markets
  – Minimum $300mm market capitalization
  – Liquidity screen $1.0mm average daily turnover
  – Rebalanced semi-annually in June & December
  – Market Cap weighted with 8% maximum weight per security at rebalance

• Licensed to Exchange Traded Products LLC as the basis for an ETF listed on the NYSE.
• More information at www.EMQQetf.com
## EMQQ Index Holdings (12.31.19)

<table>
<thead>
<tr>
<th>Security Name</th>
<th>Security Ticker</th>
<th>Currency</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tencent Holdings Ltd</td>
<td>0700.HK</td>
<td>HKD</td>
<td>8.02%</td>
</tr>
<tr>
<td>Alibaba Group Holding-Sp ADR</td>
<td>BABA.N</td>
<td>USD</td>
<td>7.98%</td>
</tr>
<tr>
<td>Naspers Ltd-N Shs</td>
<td>NPNJn.J</td>
<td>ZAR</td>
<td>7.54%</td>
</tr>
<tr>
<td>Mercadolibre Inc</td>
<td>MELI.OQ</td>
<td>USD</td>
<td>6.02%</td>
</tr>
<tr>
<td>Prosus Nv</td>
<td>PRX.AS</td>
<td>EUR</td>
<td>5.66%</td>
</tr>
<tr>
<td>Meituan Dianping-Class B</td>
<td>3690.HK</td>
<td>HKD</td>
<td>5.60%</td>
</tr>
<tr>
<td>Baidu Inc - Spon ADR</td>
<td>BIDU.OQ</td>
<td>USD</td>
<td>5.01%</td>
</tr>
<tr>
<td>Naver Corp</td>
<td>035420.KS</td>
<td>KRW</td>
<td>4.69%</td>
</tr>
<tr>
<td>Jd.Com Inc</td>
<td>JD.OQ</td>
<td>USD</td>
<td>4.57%</td>
</tr>
<tr>
<td>Pinduoduo Inc</td>
<td>PDD.OQ</td>
<td>USD</td>
<td>4.45%</td>
</tr>
<tr>
<td>NetEase Inc-ADR</td>
<td>NTES.OQ</td>
<td>USD</td>
<td>4.11%</td>
</tr>
<tr>
<td>Trip.Com Group Ltd</td>
<td>TCOM.OQ</td>
<td>USD</td>
<td>3.42%</td>
</tr>
<tr>
<td>Yandex Nv Class A</td>
<td>YNDX.OQ</td>
<td>USD</td>
<td>3.04%</td>
</tr>
<tr>
<td>Delivery Hero Se</td>
<td>DHER.DE</td>
<td>EUR</td>
<td>2.05%</td>
</tr>
<tr>
<td>Ncssoft Corp Ord</td>
<td>036570.KS</td>
<td>KRW</td>
<td>1.55%</td>
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<tr>
<td>Pagseguro Digital Ltd</td>
<td>PAGS.N</td>
<td>USD</td>
<td>1.52%</td>
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<tr>
<td>Sea Ltd</td>
<td>SE.N</td>
<td>USD</td>
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<td>Kakao Corp</td>
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<td>58.Com Inc</td>
<td>WUBA.N</td>
<td>USD</td>
<td>1.38%</td>
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<td>Stoneco Ltd</td>
<td>STNE.OQ</td>
<td>USD</td>
<td>1.33%</td>
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<td>Autohome Inc-ADR</td>
<td>ATHM.N</td>
<td>USD</td>
<td>1.19%</td>
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<td>Momo Inc</td>
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<td>VIPS.N</td>
<td>USD</td>
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<td>1.05%</td>
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<td>JOBS.OQ</td>
<td>USD</td>
<td>0.87%</td>
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<td>Multichoice Group Ltd</td>
<td>MCGJ.J</td>
<td>ZAR</td>
<td>0.81%</td>
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<td>B2W Cia Digital</td>
<td>BTOW3.SA</td>
<td>BRL</td>
<td>0.78%</td>
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<td>Iqiyi Inc</td>
<td>IQ.OQ</td>
<td>USD</td>
<td>0.68%</td>
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<td>Ping An Healthcare And Technol</td>
<td>1833.HK</td>
<td>HKD</td>
<td>0.65%</td>
</tr>
<tr>
<td>Kingdee International Sftwr</td>
<td>0268.HK</td>
<td>HKD</td>
<td>0.64%</td>
</tr>
<tr>
<td>Sina Corp</td>
<td>SINA.OQ</td>
<td>USD</td>
<td>0.61%</td>
</tr>
<tr>
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<td>GSX.N</td>
<td>USD</td>
<td>0.58%</td>
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<td>Alibaba Pictures Group Ltd</td>
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<td>HKD</td>
<td>0.56%</td>
</tr>
<tr>
<td>Bilibili Inc-Sponsored ADR</td>
<td>BILL.OQ</td>
<td>USD</td>
<td>0.52%</td>
</tr>
<tr>
<td>Info Edge India Ltd</td>
<td>INED.NS</td>
<td>INR</td>
<td>0.51%</td>
</tr>
<tr>
<td>Joyi Inc</td>
<td>YY.OQ</td>
<td>USD</td>
<td>0.45%</td>
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<td>Rocket Internet Se</td>
<td>RKET.DE</td>
<td>EUR</td>
<td>0.42%</td>
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<tr>
<td>Cvc Brasil Operadora E Agencia</td>
<td>CVCB3.SA</td>
<td>BRL</td>
<td>0.40%</td>
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<table>
<thead>
<tr>
<th>Security Name</th>
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<tbody>
<tr>
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<td>USD</td>
<td>0.37%</td>
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<td>Lexinfintech Holdings Ltd</td>
<td>LX.OQ</td>
<td>USD</td>
<td>0.37%</td>
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<tr>
<td>Zhongan Online P&amp;C Insurance C</td>
<td>6060.HK</td>
<td>HKD</td>
<td>0.36%</td>
</tr>
<tr>
<td>Weibo Corp</td>
<td>WB.OQ</td>
<td>USD</td>
<td>0.33%</td>
</tr>
<tr>
<td>Cj Enm Co Ltd</td>
<td>035760.KQ</td>
<td>KRW</td>
<td>0.31%</td>
</tr>
<tr>
<td>Makemytrip Ltd</td>
<td>MMYT.OQ</td>
<td>USD</td>
<td>0.25%</td>
</tr>
<tr>
<td>Tongcheng-Elong Holdings Ltd</td>
<td>0780.HK</td>
<td>HKD</td>
<td>0.24%</td>
</tr>
<tr>
<td>China Literature Ltd</td>
<td>0772.HK</td>
<td>HKD</td>
<td>0.23%</td>
</tr>
<tr>
<td>Qiwi Plc-Sponsored ADR</td>
<td>QIWI.OQ</td>
<td>USD</td>
<td>0.22%</td>
</tr>
<tr>
<td>So-Young International-ADR</td>
<td>SY.OQ</td>
<td>USD</td>
<td>0.21%</td>
</tr>
<tr>
<td>Com2Us Corp</td>
<td>078340.KQ</td>
<td>KRW</td>
<td>0.18%</td>
</tr>
<tr>
<td>Headhunter Group Plc-ADR</td>
<td>HHR.OQ</td>
<td>USD</td>
<td>0.17%</td>
</tr>
<tr>
<td>Douyu International Holdings Ltd</td>
<td>DOYU.OQ</td>
<td>USD</td>
<td>0.17%</td>
</tr>
<tr>
<td>Bitauto Holdings Ltd ADR</td>
<td>BITA.N</td>
<td>USD</td>
<td>0.16%</td>
</tr>
<tr>
<td>Despegar.Com Corp</td>
<td>DESP.N</td>
<td>USD</td>
<td>0.16%</td>
</tr>
<tr>
<td>Qudian Inc Sponsored Adr Class A</td>
<td>QD.N</td>
<td>USD</td>
<td>0.15%</td>
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<tr>
<td>NhN Corp</td>
<td>181710.KS</td>
<td>KRW</td>
<td>0.14%</td>
</tr>
<tr>
<td>Yixin Group Ltd</td>
<td>2858.HK</td>
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<td>0.14%</td>
</tr>
<tr>
<td>Baozun Inc</td>
<td>BZUN.OQ</td>
<td>USD</td>
<td>0.14%</td>
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<tr>
<td>Koolearn Technology Holding Ltd</td>
<td>1797.HK</td>
<td>HKD</td>
<td>0.13%</td>
</tr>
<tr>
<td>21Vianet Technology Inc</td>
<td>VNET.OQ</td>
<td>USD</td>
<td>0.13%</td>
</tr>
<tr>
<td>Hengten Networks Group Ltd</td>
<td>0136.HK</td>
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<td>0.12%</td>
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<tr>
<td>Yunji Inc</td>
<td>YJ.OQ</td>
<td>USD</td>
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<tr>
<td>Meitu Inc</td>
<td>1357.HK</td>
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<td>Afya Ltd</td>
<td>AFYA.OQ</td>
<td>USD</td>
<td>0.11%</td>
</tr>
<tr>
<td>Jumia Technologies Ag-Adr</td>
<td>JMI.A</td>
<td>USD</td>
<td>0.10%</td>
</tr>
<tr>
<td>Afreecatv Co Ltd</td>
<td>067160.KQ</td>
<td>KRW</td>
<td>0.10%</td>
</tr>
<tr>
<td>Finvolution Group</td>
<td>FINV.N</td>
<td>USD</td>
<td>0.10%</td>
</tr>
<tr>
<td>Weimob Inc</td>
<td>2013.HK</td>
<td>HKD</td>
<td>0.10%</td>
</tr>
<tr>
<td>Qutoutiao Inc</td>
<td>QTT.OQ</td>
<td>USD</td>
<td>0.09%</td>
</tr>
<tr>
<td>Uxin Ltd</td>
<td>UXIN.OQ</td>
<td>USD</td>
<td>0.09%</td>
</tr>
<tr>
<td>Netdragon Websoft Inc</td>
<td>0777.HK</td>
<td>HKD</td>
<td>0.09%</td>
</tr>
<tr>
<td>Just Dial Ltd</td>
<td>JUST.NS</td>
<td>INR</td>
<td>0.08%</td>
</tr>
<tr>
<td>Ruhnn Holding Ltd-Aldr</td>
<td>RUHN.OQ</td>
<td>USD</td>
<td>0.08%</td>
</tr>
<tr>
<td>Sogou Inc</td>
<td>SOGO.N</td>
<td>USD</td>
<td>0.08%</td>
</tr>
<tr>
<td>Yiren Digital Ltd</td>
<td>YRD.N</td>
<td>USD</td>
<td>0.07%</td>
</tr>
<tr>
<td>Huya Inc-ADR</td>
<td>HUYA.N</td>
<td>USD</td>
<td>0.07%</td>
</tr>
<tr>
<td>Pc Home Online Inc</td>
<td>8044.TWO</td>
<td>TWD</td>
<td>0.07%</td>
</tr>
<tr>
<td>Cafe24 Corp</td>
<td>042000.KQ</td>
<td>KRW</td>
<td>0.06%</td>
</tr>
</tbody>
</table>
Disclosures:

Carefully consider the Fund’s investment objectives, risk factors, charges and expenses before investing. This and additional information can be found in the Fund’s prospectus, which may be obtained by visiting www.emqqetf.com. Read the prospectus carefully before investing.

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Shares are bought and sold at market price and not individually redeemed from the fund. Brokerage commissions will reduce returns. For performance current to the most recent month-end, please visit www.emqqetf.com.

Investing involves risk, including the possible loss of principal. Investments in smaller and mid-sized companies typically exhibit higher volatility. The fund is non-diversified. International investing may involve risk of capital loss from unfavorable fluctuations in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Frontier markets generally have less developed capital markets than traditional emerging market countries, and, consequently, the risks of investing in foreign securities are magnified in such countries. These countries are subject to potentially significant political, social and economic instability, which could materially and adversely affect the companies in which the Fund may invest. The Fund invests in the securities of Internet Companies, including internet services companies and internet retailers, and is subject to risk that market or economic factors impacting technology companies and companies that rely heavily on technology advances could have a major effect on the value of the Fund’s investments.

Exchange Traded Concepts, LLC (ETC) serves as the investment advisor, and Penserra Capital Management LLC serves as a sub advisor to the fund. Big Tree Capital LLC serves as index provider. The Funds are distributed by SEI Investments Distribution Co. (SEI) 1 Freedom Valley Drive, Oaks, PA, 19456.

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