

# EMQQ

# FMQQ

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EXCHANGE TRADED CONCEPTS TRUST

**EMQQ The Emerging Markets Internet ETF**

**FMQQ The Next Frontier Internet ETF**

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## **Semi-Annual Financials and Other Information**

February 28, 2025

(Unaudited)



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# EMQQ/FMQQ

## Table of Contents (Unaudited)

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Financial Statements (Form N-CSRS Item 7)	
Schedule of Investments .....	1
Statements of Assets and Liabilities .....	6
Statements of Operations .....	7
Statements of Changes in Net Assets.....	8
Financial Highlights .....	10
Notes to Financial Statements.....	12
Other Information (Form N-CSRS Items 8-11) .....	24

For additional information about the Fund; including its prospectus, financial information, holdings, and proxy voting information, call or visit:

- 1-855-888-9892
- <https://emqqetf.com/materials/>
- <https://fmqqetf.com/materials/>

# EMQQ

## The Emerging Markets Internet ETF

### Schedule of Investments

February 28, 2025 (Unaudited)

#### Sector Weightings

		46.8% Consumer Discretionary
		25.0% Communication Services
		16.2% Financials
		6.9% Energy
		2.4% Industrials
		1.1% Short-Term Investment
		1.1% Real Estate
		0.9% Information Technology
		0.5% Consumer Staples

Description	Shares	Fair Value
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#### COMMON STOCK†† – 99.8%

##### Argentina – 0.1%

###### Consumer Discretionary – 0.1%

Despegar.com* .....	24,762	\$ 475,926
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##### Brazil – 9.9%

###### Consumer Discretionary – 4.6%

MercadoLibre* .....	7,760	16,465,711
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###### Financials – 5.3%

Inter .....	148,962	776,730
NU Holdings, CI A* .....	1,229,147	13,213,330
Pagseguro Digital, CI A* .....	108,847	801,114
StoneCo, CI A* .....	133,824	1,237,872
XP, CI A .....	184,041	2,604,180
		18,633,226
		35,098,937

##### China – 46.7%

###### Communication Services – 14.5%

Baidu, CI A* .....	505,604	5,428,912
Bilibili, CI Z* .....	67,345	1,353,568
China Literature* .....	88,800	287,759
China Ruyi Holdings <sup>(A)*</sup> .....	1,064,799	312,190
Hello Group ADR .....	31,431	231,647
iQIYI ADR <sup>(A)*</sup> .....	121,255	252,211
Kanzhun ADR* .....	82,447	1,319,152
Kingsoft .....	211,000	1,089,391
Kuaishou Technology, CI B* .....	605,800	3,941,809
Meitu <sup>(A)</sup> .....	654,500	398,937
NetEase .....	410,080	8,163,105
Tencent Holdings .....	429,992	26,463,598
Tencent Music Entertainment Group ADR .....	202,233	2,465,220
		51,707,499

Description	Shares	Fair Value
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#### China – continued

##### Consumer Discretionary – 29.1%

Alibaba Group Holding .....	2,042,698	\$ 33,491,159
JD.com, CI A .....	639,494	13,206,807
Meituan, CI B* .....	1,013,379	21,110,705
PDD Holdings ADR* .....	227,341	25,846,398
Tongcheng Travel Holdings .....	293,200	655,284
Trip.com Group* .....	141,661	7,953,346
Vipshop Holdings ADR .....	107,250	1,685,970
		103,949,669

##### Consumer Staples – 0.5%

Alibaba Health Information Technology <sup>(A)*</sup> .....	1,164,000	749,905
JD Health International* .....	238,350	1,035,971
		1,785,876

##### Financials – 0.5%

Qifu Technology ADR .....	34,515	1,383,361
ZhongAn Online P&C Insurance, CI H* .....	161,600	241,470
		1,624,831

##### Industrials – 0.7%

Full Truck Alliance ADR .....	200,797	2,357,357
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##### Information Technology – 0.3%

Kingdee International Software Group* .....	670,000	1,097,640
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##### Real Estate – 1.1%

KE Holdings, CI A <sup>(A)</sup> .....	507,942	3,863,534
Phoenix Tree Holdings ADR <sup>(A)(B)(C)*</sup> .....	179,833	–
		3,863,534
		166,386,406

##### Hong Kong – 0.6%

###### Financials – 0.6%

Futu Holdings ADR .....	20,291	2,215,574
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##### India – 18.8%

###### Communication Services – 0.7%

Info Edge India .....	32,085	2,563,995
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###### Consumer Discretionary – 4.1%

BrainBees Solutions* .....	111,145	478,284
FSN E-Commerce Ventures* .....	552,746	1,003,112
Jubilant Foodworks .....	198,932	1,423,383
MakeMyTrip* .....	33,117	3,187,842
Zomato* .....	3,330,048	8,452,251
		14,544,872

##### Energy – 6.9%

Reliance Industries .....	1,790,348	24,554,338
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The accompanying notes are an integral part of the financial statements.

**EMQQ**  
**The Emerging Markets Internet ETF**  
**Schedule of Investments**  
**February 28, 2025 (Unaudited) (Continued)**

Description	Shares	Fair Value	Description	Shares	Fair Value
<b>India – continued</b>			<b>South Korea – 8.3%</b>		
<i>Financials – 6.5%</i>			<i>Communication Services – 3.7%</i>		
Angel One .....	21,925	\$ 543,504	Kakao .....	125,715	\$ 3,708,115
Bajaj Finance .....	141,668	13,810,500	NAVER .....	60,280	8,529,606
Indian Energy Exchange .....	389,175	693,502	NCSoft* .....	7,338	853,233
Jio Financial Services* .....	1,682,711	3,992,373			<u>13,090,954</u>
One 97 Communications* .....	153,157	1,251,371	<i>Consumer Discretionary – 4.2%</i>		
PB Fintech* .....	168,852	2,824,242	Coupang, CI A* .....	517,556	12,266,077
		<u>23,115,492</u>	Delivery Hero, CI A* .....	86,355	2,516,450
<i>Information Technology – 0.6%</i>					<u>14,782,527</u>
Swiggy* .....	565,074	2,161,073	<i>Financials – 0.4%</i>		
		<u>66,939,770</u>	KakaoBank .....	90,369	1,522,726
<b>Indonesia – 0.6%</b>					<u>29,396,207</u>
<i>Consumer Discretionary – 0.6%</i>			<b>Taiwan – 0.2%</b>		
GoTo Gojek Tokopedia, CI A* .....	459,399,300	2,078,103	<i>Consumer Discretionary – 0.2%</i>		
<b>Japan – 0.6%</b>			momo.com .....	60,506	712,703
<i>Communication Services – 0.6%</i>			Total Common Stock		
Nexon .....	170,300	2,286,752	(Cost \$306,854,813) .....		
<b>Kazakhstan – 2.9%</b>					<u>355,470,044</u>
<i>Financials – 2.9%</i>			<b>SHORT-TERM INVESTMENT – 1.1%</b>		
Kaspi.KZ JSC ADR .....	99,271	10,397,645	Invesco Government & Agency		
<b>Poland – 1.6%</b>			Portfolio, Institutional Class,		
<i>Communication Services – 0.5%</i>			4.29% <sup>(D)(E)</sup> .....		
CD Projekt <sup>(A)</sup> .....	34,227	1,898,691	4,008,387	4,008,387	
<i>Consumer Discretionary – 1.1%</i>			Total Short-Term Investment		
Allegro.eu* .....	299,658	2,099,639	(Cost \$4,008,387) .....		
CCC* .....	35,979	1,700,462	Total Investments – 100.9%		
		<u>3,800,101</u>	(Cost \$310,863,200) .....		
		<u>5,698,792</u>	<u>\$ 359,478,431</u>		
<b>Russia – 0.0%</b>			Percentages are based on net assets of \$356,243,643.		
<i>Communication Services – 0.0%</i>			†† Industries are utilized for compliance purposes, whereas broad sectors		
VK GDR <sup>(B)(C)*</sup> .....	117,354	1,173	are utilized for reporting.		
<b>Singapore – 6.5%</b>			* Non-income producing security.		
<i>Communication Services – 4.8%</i>			(A) This security or a partial position of this security is on loan		
Sea ADR* .....	135,344	17,225,231	at February 28, 2025. The total value of securities on loan		
<i>Industrials – 1.7%</i>			at February 28, 2025 was \$3,814,394.		
Grab Holdings, CI A* .....	1,239,917	6,013,597	(B) Level 3 security in accordance with fair value hierarchy.		
		<u>23,238,828</u>	(C) Security is fair valued.		
<b>South Africa – 3.0%</b>			(D) This security was purchased with cash collateral held from securities		
<i>Communication Services – 0.2%</i>			on loan. The total value of such securities as of February 28, 2025 was		
MultiChoice Group* .....	136,971	782,112	\$4,008,387.		
<i>Consumer Discretionary – 2.8%</i>			(E) The rate shown is the 7-day effective yield as of February 28, 2025.		
Naspers, CI N .....	40,889	9,761,116	ADR – American Depositary Receipt		
		<u>10,543,228</u>	CI – Class		
			GDR – Global Depositary Receipt		
			JSC – Joint-Stock Company		

The accompanying notes are an integral part of the financial statements.

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**EMQQ**  
**The Emerging Markets Internet ETF**  
**Schedule of Investments**  
**February 28, 2025 (Unaudited) (Concluded)**

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The following is a summary of the inputs used as of February 28, 2025 in valuing the Fund's investments carried at value:

Investments in Securities	Level 1	Level 2	Level 3 <sup>(1)</sup>	Total
<b>Common Stock</b>				
Argentina.....	\$ 475,926	\$ —	\$ —	\$ 475,926
Brazil .....	35,098,937	—	—	35,098,937
China .....	166,386,406	—	—	166,386,406
Hong Kong .....	2,215,574	—	—	2,215,574
India.....	66,939,770	—	—	66,939,770
Indonesia .....	2,078,103	—	—	2,078,103
Japan.....	2,286,752	—	—	2,286,752
Kazakhstan.....	10,397,645	—	—	10,397,645
Poland .....	5,698,792	—	—	5,698,792
Russia .....	—	—	1,173	1,173
Singapore.....	23,238,828	—	—	23,238,828
South Africa.....	10,543,228	—	—	10,543,228
South Korea.....	29,396,207	—	—	29,396,207
Taiwan.....	712,703	—	—	712,703
<b>Short-Term Investment</b>				
United States .....	4,008,387	—	—	4,008,387
<b>Total Investments in Securities.....</b>	<b>\$ 359,477,258</b>	<b>\$ —</b>	<b>\$ 1,173</b>	<b>\$ 359,478,431</b>

(1) *A reconciliation of Level 3 investments and disclosures of significant unobservable inputs are presented when the Fund has a significant amount of Level 3 investments at the end of the period in relation to Net Assets. Management has concluded that Level 3 investments are not material in relation to Net Assets.*

The accompanying notes are an integral part of the financial statements.

# FMQQ

## The Next Frontier Internet ETF

### Schedule of Investments

February 28, 2025 (Unaudited)

#### Sector Weightings

	33.6% Financials
	31.8% Consumer Discretionary
	19.8% Communication Services
	7.8% Energy
	4.7% Industrials
	2.6% Information Technology

Description	Shares	Fair Value
<b>COMMON STOCK<sup>††</sup> – 100.3%</b>		
<b>Argentina – 0.6%</b>		
<i>Consumer Discretionary – 0.6%</i>		
Despegar.com*	8,169	\$ 157,008
<b>Brazil – 21.2%</b>		
<i>Consumer Discretionary – 8.7%</i>		
MercadoLibre*	1,130	2,397,713
<i>Financials – 12.5%</i>		
Inter	49,156	256,313
NU Holdings, CI A*	155,136	1,667,712
Pagueseguro Digital, CI A*	35,916	264,342
StoneCo, CI A*	44,158	408,461
XP, CI A	60,729	859,316
		3,456,144
		5,853,857
<b>India – 40.3%</b>		
<i>Communication Services – 3.0%</i>		
Info Edge India	10,585	845,874
<i>Consumer Discretionary – 11.4%</i>		
BrainBees Solutions*	36,677	157,830
FSN E-Commerce Ventures*	182,402	331,020
Jubilant Foodworks	65,646	469,705
MakeMyTrip*	10,928	1,051,929
Zomato*	451,618	1,146,286
		3,156,770
<i>Energy – 7.8%</i>		
Reliance Industries	156,440	2,145,550
<i>Financials – 15.5%</i>		
Angel One	7,233	179,300
Bajaj Finance	17,292	1,685,710
Indian Energy Exchange	128,425	228,851
Jio Financial Services*	346,308	821,645
One 97 Communications*	50,538	412,921
PB Fintech*	55,719	931,964
		4,260,391

Description	Shares	Fair Value
<b>India – continued</b>		
<i>Information Technology – 2.6%</i>		
Swiggy*	186,468	\$ 713,130
		11,121,715
<b>Indonesia – 2.5%</b>		
<i>Consumer Discretionary – 2.5%</i>		
GoTo Gojek Tokopedia, CI A*	151,598,800	685,761
<b>Kazakhstan – 4.8%</b>		
<i>Financials – 4.8%</i>		
Kaspi.KZ JSC ADR	12,648	1,324,752
<b>Poland – 6.8%</b>		
<i>Communication Services – 2.3%</i>		
CD Projekt	11,294	626,517
<i>Consumer Discretionary – 4.5%</i>		
Allegro.eu*	98,882	692,845
CCC*	11,872	561,102
		1,253,947
		1,880,464
<b>Russia – 0.0%</b>		
<i>Communication Services – 0.0%</i>		
VK GDR <sup>(A)(B)*</sup>	7,810	78
<b>Singapore – 13.2%</b>		
<i>Communication Services – 8.5%</i>		
Sea ADR*	18,395	2,341,132
<i>Industrials – 4.7%</i>		
Grab Holdings, CI A*	269,148	1,305,368
		3,646,500
<b>South Africa – 1.0%</b>		
<i>Communication Services – 1.0%</i>		
MultiChoice Group*	45,198	258,083
<b>South Korea – 9.9%</b>		
<i>Communication Services – 5.0%</i>		
Kakao	17,308	510,520
NAVER	5,283	747,543
NCSoft*	1,010	117,439
		1,375,502
<i>Consumer Discretionary – 4.1%</i>		
Coupage, CI A*	33,641	797,292
Delivery Hero, CI A*	11,890	346,483
		1,143,775

The accompanying notes are an integral part of the financial statements.

**FMQQ**  
**The Next Frontier Internet ETF**  
**Schedule of Investments**  
**February 28, 2025 (Unaudited) (Concluded)**

Description	Shares	Fair Value
<b>South Korea – continued</b>		
<i>Financials – 0.8%</i>		
KakaoBank .....	12,442	\$ 209,649
		<u>2,728,926</u>
Total Common Stock		
(Cost \$24,263,308) .....		<u>27,657,144</u>
Total Investments – 100.3%		
(Cost \$24,263,308) .....		<u>\$ 27,657,144</u>

Percentages are based on net assets of \$27,576,786

†† Industries are utilized for compliance purposes, whereas broad sectors are utilized for reporting.

\* Non-income producing security.

(A) Level 3 security in accordance with fair value hierarchy.

(B) Security is fair valued.

ADR – American Depositary Receipt  
CI – Class  
GDR – Global Depositary Receipt  
JSC – Joint-Stock Company

The following is a summary of the inputs used as of February 28, 2025 in valuing the Fund's investments carried at value:

Investments in Securities	Level 1	Level 2	Level 3 <sup>(1)</sup>	Total
<b>Common Stock</b>				
Argentina .....	\$ 157,008	\$ –	\$ –	\$ 157,008
Brazil .....	5,853,857	–	–	5,853,857
India .....	11,121,715	–	–	11,121,715
Indonesia .....	685,761	–	–	685,761
Kazakhstan .....	1,324,752	–	–	1,324,752
Poland .....	1,880,464	–	–	1,880,464
Russia .....	–	–	78	78
Singapore .....	3,646,500	–	–	3,646,500
South Africa .....	258,083	–	–	258,083
South Korea .....	<u>2,728,926</u>	–	–	<u>2,728,926</u>
Total Investments in Securities .....	<u>\$ 27,657,066</u>	<u>\$ –</u>	<u>\$ 78</u>	<u>\$ 27,657,144</u>

(1) A reconciliation of Level 3 investments and disclosures of significant unobservable inputs are presented when the Fund has a significant amount of Level 3 investments at the end of the period in relation to Net Assets. Management has concluded that Level 3 investments are not material in relation to Net Assets.

The accompanying notes are an integral part of the financial statements.

**EMQQ/FMQQ**  
**Statements of Assets and Liabilities**  
February 28, 2025 (Unaudited)

	<b>EMQQ The Emerging Markets Internet ETF</b>	<b>FMQQ The Next Frontier Internet ETF</b>
<b>Assets:</b>		
Investments, at Cost .....	\$ 310,863,200	\$ 24,263,308
Foreign Currency, at Cost.....	138,671	323
Investments, at Fair Value* .....	\$ 359,478,431	\$ 27,657,144
Cash and Cash Equivalents.....	1,246,257	—
Foreign Currency, at Value .....	138,722	323
Receivable for Investment Securities Sold .....	1,868,685	—
Dividends Receivable.....	87,329	9,424
Reclaims Receivable .....	1,527	—
<b>Total Assets</b> .....	<b>362,820,951</b>	<b>27,666,891</b>
<b>Liabilities:</b>		
Payable Upon Return on Securities Loaned .....	4,008,387	—
Payable for Capital Shares Redeemed.....	1,894,927	—
Accrued Foreign Capital Gains Tax on Appreciated Securities .....	432,672	45,427
Advisory Fees Payable.....	241,322	18,863
Payable to Custodian - Overdraft.....	—	25,815
<b>Total Liabilities</b> .....	<b>6,577,308</b>	<b>90,105</b>
<b>Net Assets</b> .....	<b>\$ 356,243,643</b>	<b>\$ 27,576,786</b>
<b>Net Assets Consist of:</b>		
Paid-in Capital .....	\$ 767,471,426	\$ 33,335,349
Total Distributable Earnings (Accumulated Losses).....	(411,227,783)	(5,758,563)
<b>Net Assets</b> .....	<b>\$ 356,243,643</b>	<b>\$ 27,576,786</b>
Outstanding Shares of Beneficial Interest (unlimited authorization - no par value) .....	9,400,000	2,200,000
Net Asset Value, Offering and Redemption Price Per Share .....	\$ 37.90	\$ 12.53
*Includes Value of Securities on Loan.....	\$ 3,814,394	\$ —

Amounts designated as “—” are \$0.

The accompanying notes are an integral part of the financial statements.



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**EMQQ/FMQQ**  
**Statements of Operations**  
For the Six Months Ended February 28, 2025 (Unaudited)

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	<b>EMQQ The Emerging Markets Internet ETF</b>	<b>FMQQ The Next Frontier Internet ETF</b>
<b>Investment Income:</b>		
Dividend Income.....	\$ 569,670	\$ 77,318
Interest Income.....	26,395	6,938
Income from Securities Lending.....	42,490	—
Less: Foreign Taxes Withheld.....	(25,751)	(2,599)
<b>Total Investment Income.....</b>	<b>612,804</b>	<b>81,657</b>
<b>Expenses:</b>		
Advisory Fees.....	1,593,039	125,862
<b>Total Expenses.....</b>	<b>1,593,039</b>	<b>125,862</b>
<b>Net Investment Income (Loss).....</b>	<b>(980,235)</b>	<b>(44,205)</b>
<b>Net Realized Gain (Loss) on:</b>		
Investments <sup>(1)</sup> .....	(5,465,093)	(179,742)
Foreign Currency Transactions.....	(40,869)	(5,715)
<b>Net Realized Gain (Loss).....</b>	<b>(5,505,962)</b>	<b>(185,457)</b>
<b>Net Change in Unrealized Appreciation (Depreciation) on:</b>		
Investments.....	46,472,484	(1,683,495)
Foreign Currency Translations.....	(1,311)	(289)
Foreign Capital Gains Tax on Appreciated Securities.....	2,543,027	401,903
<b>Net Unrealized Appreciation (Depreciation).....</b>	<b>49,014,200</b>	<b>(1,281,881)</b>
<b>Net Realized and Unrealized Gain (Loss).....</b>	<b>43,508,238</b>	<b>(1,467,338)</b>
<b>Net Increase (Decrease) in Net Assets Resulting from Operations.....</b>	<b>\$ 42,528,003</b>	<b>\$ (1,511,543)</b>

(1) Includes realized gains (losses) as a result of in-kind transactions, if any (See Note 4 in Notes to Financial Statements).

Amounts designated as “—” are \$0.

The accompanying notes are an integral part of the financial statements.

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**EMQQ**  
**The Emerging Markets Internet ETF**  
**Statements of Changes in Net Assets**

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	<b>For the Six Months Ended</b>	<b>Year Ended</b>
	<b>February 28, 2025 (Unaudited)</b>	<b>August 31, 2024</b>
<b>Operations:</b>		
Net Investment Income (Loss).....	\$ (980,235)	\$ 1,382,614
Net Realized Gain (Loss) <sup>(1)</sup> .....	(5,505,962)	(60,347,129)
Net Change in Unrealized Appreciation (Depreciation) .....	49,014,200	95,156,927
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b> .....	<b>42,528,003</b>	<b>36,192,412</b>
<b>Distributions:</b> .....	(5,800,915)	(3,171,921)
<b>Capital Share Transactions:</b>		
Redeemed .....	(44,585,207)	(165,285,646)
<b>Increase (Decrease) in Net Assets from Capital Share Transactions</b> .....	<b>(44,585,207)</b>	<b>(165,285,646)</b>
<b>Total Increase (Decrease) in Net Assets</b> .....	<b>(7,858,119)</b>	<b>(132,265,155)</b>
<b>Net Assets:</b>		
Beginning of Year/Period .....	364,101,762	496,366,917
End of Year/Period .....	\$ 356,243,643	\$ 364,101,762
<b>Share Transactions:</b>		
Redeemed .....	(1,200,000)	(5,350,000)
<b>Net Increase (Decrease) in Shares Outstanding from Share Transactions</b> .....	<b>(1,200,000)</b>	<b>(5,350,000)</b>

(1) Includes realized gains (losses) as a result of in-kind transactions, if any (See Note 4 in Notes to Financial Statements).

The accompanying notes are an integral part of the financial statements.

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**FMQQ**  
**The Next Frontier Internet ETF**  
**Statements of Changes in Net Assets**

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	<b>For the Six Months Ended</b>	<b>Year Ended</b>
	<b>February 28, 2025 (Unaudited)</b>	<b>August 31, 2024</b>
<b>Operations:</b>		
Net Investment Income (Loss).....	\$ (44,205)	\$ (56,732)
Net Realized Gain (Loss) <sup>(1)</sup> .....	(185,457)	(3,720,872)
Net Change in Unrealized Appreciation (Depreciation) .....	(1,281,881)	9,028,137
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b> .....	<u>(1,511,543)</u>	<u>5,250,533</u>
<b>Distributions:</b> .....	<u>(125,400)</u>	<u>(20,951)</u>
<b>Capital Share Transactions:</b>		
Issued.....	—	6,131,031
Redeemed .....	(1,014,457)	—
<b>Increase (Decrease) in Net Assets from Capital Share Transactions</b> .....	<u>(1,014,457)</u>	<u>6,131,031</u>
<b>Total Increase (Decrease) in Net Assets</b> .....	<u>(2,651,400)</u>	<u>11,360,613</u>
<b>Net Assets:</b>		
Beginning of Year/Period .....	30,228,186	18,867,573
End of Year/Period .....	<u>\$ 27,576,786</u>	<u>\$ 30,228,186</u>
<b>Share Transactions:</b>		
Issued.....	—	525,000
Redeemed .....	(75,000)	—
<b>Net Increase (Decrease) in Shares Outstanding from Share Transactions</b> .....	<u>(75,000)</u>	<u>525,000</u>

(1) Includes realized gains (losses) as a result of in-kind transactions, if any (See Note 4 in Notes to Financial Statements).

Amounts designated as “—” are \$0.

The accompanying notes are an integral part of the financial statements.

# EMQQ

## The Emerging Markets Internet ETF

### Financial Highlights

#### Selected Per Share Data & Ratios

For a Share Outstanding Throughout each Year/Period

	For the Six Months Ended February 28, 2025 (Unaudited)	Years Ended August 31,				
	2024	2023	2022	2021	2020	
Net Asset Value, beginning of year/period .....	\$ 34.35	\$ 31.12	\$ 31.55	\$ 53.59	\$ 54.11	\$ 32.08
<b>Investment Activities</b>						
Net investment income (loss)* .....	(0.10)	0.11	(0.10)	(0.01)	(0.38)	0.50
Net realized and unrealized gain (loss) .....	4.24	3.36	(0.33)	(22.03)	(0.03)**	21.98
Total from investment activities .....	4.14	3.47	(0.43)	(22.04)	(0.41)	22.48
<b>Distributions to shareholders from:</b>						
Net investment income .....	(0.59)	(0.24)	—	—	(0.11)	(0.45)
Total distributions .....	(0.59)	(0.24)	—	—	(0.11)	(0.45)
Net Asset Value, end of year/period .....	\$ 37.90	\$ 34.35	\$ 31.12	\$ 31.55	\$ 53.59	\$ 54.11
<b>Net Asset Value, Total Return (%)<sup>(1)</sup></b> .....	12.19	11.29	(1.36)	(41.13)	(0.77)	70.85
<b>Ratios to Average Net Assets</b>						
Expenses (%) .....	0.86 <sup>(2)</sup>	0.86	0.86	0.86	0.86	0.86
Net investment income (loss) (%) .....	(0.53) <sup>(2)</sup>	0.35	(0.32)	(0.03)	(0.61)	1.28
<b>Supplemental Data</b>						
Net Assets end of year/period (000) ...	\$ 356,244	\$ 364,102	\$ 496,367	\$ 615,153	\$ 1,355,953	\$ 965,858
Portfolio turnover rate (%) <sup>(3)</sup> .....	11	26	21	44	71	25

\* Per share data calculated using average shares method.

\*\* Realized and unrealized gains and losses per share in this caption are balancing amounts necessary to reconcile the change in net asset value per share for the period, and may not reconcile with the aggregate gains and losses in the Statement of Operations due to share transactions for the period.

(1) Total return is for the period indicated and has not been annualized for periods less than one year. Returns do not reflect the deduction of taxes the shareholder would pay on Fund distributions or redemption of Fund shares.

(2) Annualized.

(3) Portfolio turnover is for the period indicated and periods of less than one year have not been annualized. Excludes the effect of securities received or delivered from processing in-kind creations or redemptions, if any.

Amounts designated as “—” are \$0.

The accompanying notes are an integral part of the financial statements.

# FMQQ

## The Next Frontier Internet ETF

### Financial Highlights

#### Selected Per Share Data & Ratios

For a Share Outstanding Throughout each Year/Period

	For the Six Months Ended			
	February 28, 2025 (Unaudited)	Years Ended August 31,		Period Ended August 31, 2022 <sup>†</sup>
		2024	2023	
Net Asset Value, beginning of year/period.....	\$ 13.29	\$ 10.78	\$ 11.20	\$ 25.80
<b>Investment Activities</b>				
Net investment income (loss)*.....	(0.02)	(0.03)	(0.02)	(0.07)
Net realized and unrealized gain (loss).....	(0.68)	2.55	(0.40)	(14.53)
Total from investment activities.....	(0.70)	2.52	(0.42)	(14.60)
<b>Distributions to shareholders from:</b>				
Net investment income .....	(0.06)	(0.01)	—	—
Total distributions .....	(0.06)	(0.01)	—	—
Net Asset Value, end of year/period.....	\$ 12.53	\$ 13.29	\$ 10.78	\$ 11.20
<b>Net Asset Value, Total Return (%)<sup>(1)</sup></b> .....	(5.30)	23.42	(3.75)	(56.59)
<b>Ratios to Average Net Assets</b>				
Expenses (%) .....	0.86 <sup>(2)</sup>	0.86	0.86	0.86 <sup>(2)</sup>
Net investment income (loss) (%) .....	(0.30) <sup>(2)</sup>	(0.25)	(0.19)	(0.58) <sup>(2)</sup>
<b>Supplemental Data</b>				
Net Assets end of year/period (000).....	\$ 27,577	\$ 30,228	\$ 18,868	\$ 15,114
Portfolio turnover rate (%) <sup>(3)</sup> .....	11	40	24	66

\* Per share data calculated using average shares method.

† Commenced operations on September 27, 2021.

(1) Total return is for the period indicated and has not been annualized for periods less than one year. Returns do not reflect the deduction of taxes the shareholder would pay on Fund distributions or redemption of Fund shares.

(2) Annualized.

(3) Portfolio turnover is for the period indicated and periods of less than one year have not been annualized. Excludes the effect of securities received or delivered from processing in-kind creations or redemptions, if any.

Amounts designated as “—” are \$0.

The accompanying notes are an integral part of the financial statements.

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# EMQQ/FMQQ

## Notes to Financial Statements

February 28, 2025 (Unaudited)

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### 1. ORGANIZATION

Exchange Traded Concepts Trust (the “Trust”) is a Delaware statutory trust formed on July 17, 2009. The Trust is registered with the Securities and Exchange Commission (the “Commission”) under the Investment Company Act of 1940 (the “1940 Act”) as an open-end management investment company with multiple investment portfolios. The financial statements herein are those of EMQQ The Emerging Markets Internet ETF and FMQQ The Next Frontier Internet ETF (each a “Fund”, and together the “Funds”). The EMQQ The Emerging Markets Internet ETF seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of EMQQ The Emerging Markets Internet Index™. The FMQQ The Next Frontier Internet ETF seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of FMQQ The Next Frontier Internet Index™. Exchange Traded Concepts, LLC (the “Adviser”), an Oklahoma limited liability company, serves as the investment adviser for the Funds. Each Fund is classified as “non-diversified” under the 1940 Act (see “Non-Diversification Risk” under Note 6). The EMQQ The Emerging Markets Internet ETF commenced operations on November 12, 2014. The FMQQ The Next Frontier Internet ETF commenced operations on September 27, 2021.

Shares of the Funds are listed and traded on the NYSE Arca, Inc. (the “Exchange”). Market prices for shares of a Fund may be different from their net asset value (“NAV”). The Funds issue and redeem shares on a continuous basis to certain institutional investors (typically market makers or other broker-dealers) at NAV only in large blocks of shares called “Creation Units.” Creation Units are available for purchase and redemption on each business day and are offered and redeemed on an in-kind basis, together with a specified cash amount, or for an all cash amount. Once created, shares trade in a secondary market at market prices that change throughout the day in share amounts less than a Creation Unit.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies, which are consistently followed in the preparation of the financial statements of the Trust, are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for investment companies. The accompanying financial statements have been prepared in accordance with U.S. GAAP on the accrual basis of accounting. Management has reviewed Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, *Financial Services – Investment Companies* (“ASC 946”), and concluded that the Funds meet the criteria of an “investment company,” and therefore, the Funds prepare their financial statements in accordance with investment company accounting as outlined in ASC 946.

**Use of Estimates and Indemnifications** – Each Fund is an investment company in conformity with U.S. GAAP. Therefore, the Funds follow the accounting and reporting guidelines for investment companies. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

In the normal course of business, the Trust, on behalf of the Funds, enters into contracts that contain a variety of representations which provide general indemnifications. Each Fund’s maximum exposure under these arrangements cannot be known; however, the Funds expect any risk of loss to be remote.

**Security Valuation** – The Funds record their investments at fair value. Securities listed on a securities exchange, market or automated quotation system for which quotations are readily available (except for securities traded on the NASDAQ Stock Market (“NASDAQ”)), including securities traded over the counter, are valued at the

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# EMQQ/FMQQ

## Notes to Financial Statements

February 28, 2025 (Unaudited) (Continued)

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

last quoted sale price on the primary exchange or market (foreign or domestic) on which they are traded (or at approximately 4:00 pm Eastern Time if a security's primary exchange is normally open at that time), or, if there is no such reported sale, at the most recent quoted bid price for long positions and at the most recent quoted ask price for short positions. For securities traded on NASDAQ, the NASDAQ Official Closing Price will be used. If available, debt securities are priced based upon valuations provided by independent, third-party pricing agents. Such values generally reflect the last reported sales price if the security is actively traded.

The third-party pricing agents may also value debt securities at an evaluated bid price by employing methodologies that utilize actual market transactions, broker-supplied valuations, or other methodologies designed to identify the fair value for such securities. Debt obligations with remaining maturities of sixty days or less when acquired will be valued at their market value. If a market value is not available from a pricing vendor or from an independent broker, the security shall be fair valued according to the Trust's fair value procedures. Prices for most securities held in the Funds are provided daily by recognized independent pricing agents. If a security price cannot be obtained from an independent, third-party pricing agent, the Funds seek to obtain a bid price from at least one independent broker.

Rule 2a-5 under the 1940 Act establishes requirements to determine fair value in good faith for purposes of the 1940 Act. The rule permits fund boards to designate a fund's investment adviser to perform fair-value determinations, subject to board oversight and certain other conditions. The rule also defines when market quotations are "readily available" for purposes of the 1940 Act and requires a fund to fair value a portfolio investment when a market quotation is not readily available. Rule 31a-4 under the 1940 Act sets forth recordkeeping requirements associated with fair-value determinations.

Pursuant to the requirements of Rule 2a-5, the Trust's Board of Trustees (the "Board") (i) has designated the Adviser as the Board's valuation designee to perform fair-value determinations for a Fund through the Adviser's Valuation Committee and (ii) approved the Adviser's Valuation Procedures.

Some of the more common reasons that may necessitate that a security be valued using fair value procedures include: the security's trading has been halted or suspended; the security has been de-listed from a national exchange; the security's primary trading market is temporarily closed at a time when, under normal conditions, it would be open; the security has not been traded for an extended period of time; the security's primary pricing source is not able or willing to provide a price; or trading of the security is subject to local government-imposed restrictions. In addition, a Fund may fair value its securities if an event that may materially affect the value of the Fund's securities that traded outside of the United States (a "Significant Event") has occurred between the time of the security's last close and the time that the Fund calculates its net asset value. A Significant Event may relate to a single issuer or to an entire market sector. Events that may be Significant Events include, but are not limited to government actions, natural disasters, armed conflict, acts of terrorism and significant market fluctuations. If the Adviser becomes aware of a Significant Event that has occurred with respect to a security or group of securities after the closing of the exchange or market on which the security or securities principally trade, but before the time at which the Fund calculates its net asset value, it may request that a Committee meeting be called. When a security is valued in accordance with the fair value procedures, the Committee will determine the value after taking into consideration relevant information reasonably available to the Committee.

In accordance with the authoritative guidance on fair value measurements and disclosure under U.S. GAAP, the Funds disclose fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement

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**EMQQ/FMQQ**  
**Notes to Financial Statements**  
February 28, 2025 (Unaudited) (Continued)

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

date (an exit price). Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

- Level 1 – Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the Funds have the ability to access at the measurement date;
- Level 2 – Quoted prices which are not active, or inputs that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and
- Level 3 – Prices, inputs or exotic modeling techniques which are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The valuation techniques used by the Funds to measure fair value during the six months ended February 28, 2025 maximized the use of observable inputs and minimized the use of unobservable inputs. Investments are classified within the level of the lowest significant input considered in determining fair value.

**Federal Income Taxes** – It is each Fund’s intention to qualify as a regulated investment company for Federal income tax purposes by complying with the appropriate provisions of Subchapter M of the Internal Revenue Code of 1986, as amended. Accordingly, no provisions for Federal income taxes have been made in the financial statements.

The Funds’ policy is to classify interest and penalties associated with underpayment of federal and state income taxes, if any, as income tax expense on their Statements of Operations. As of February 28, 2025, the Funds did not have any interest or penalties associated with the underpayment of any income taxes. Current tax years remain open and subject to examination by tax jurisdictions. The Funds have reviewed all major jurisdictions and concluded that there is no impact on the Funds’ net assets and no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken on its tax returns.

**Foreign Taxes** – The Funds may be subject to taxes imposed by countries in which it invests. Such taxes are generally based on either income or gains earned or repatriated. The Funds accrue and apply such taxes to net investment income, net realized gains and net unrealized gains as income and/or capital gains earned.

In addition to the requirements of the Code, each Fund may also be subject to capital gains tax in India and potentially other foreign jurisdictions, on gains realized upon the sale of securities, payable upon repatriation of sales proceeds. Any realized losses in excess of gains in India may be carried forward to offset future gains. Funds with exposure to Indian securities and potentially other foreign jurisdictions accrue a deferred tax liability for unrealized gains in excess of available loss carryforwards based on existing tax rates and holding periods of the securities.



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**EMQQ/FMQQ**  
**Notes to Financial Statements**  
February 28, 2025 (Unaudited) (Continued)

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

For the six months ended February 28, 2025, accrued foreign capital gains tax on appreciated securities as shown on the Statements of Assets and Liabilities and recorded net changes in unrealized appreciation (depreciation) on Accrued Foreign Capital Gains Tax on Appreciated Securities as shown on the Statements of Operations were:

	Accrued Foreign Capital Gains Tax on Appreciated Securities	Net Change in Unrealized Appreciation (Depreciation) on Deferred Accrued Foreign Capital Gains Tax on Appreciated Securities
EMQQ The Emerging Markets Internet ETF .....	\$ 432,672	\$ 2,543,027
FMQQ The Next Frontier Internet ETF .....	45,427	401,903

**Security Transactions and Investment Income** – Security transactions are accounted for on trade date. Costs used in determining realized gains and losses on the sale of investment securities are based on specific identification. Dividend income is recorded on the ex-dividend date. Interest income is recognized on the accrual basis. Withholding taxes and reclaims on foreign dividends, if any, have been provided for in accordance with the Funds’ understanding of the applicable country’s tax rules and rates.

**Foreign Currency Translation** – The books and records of the Funds are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars on the date of valuation. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the relevant rates of exchange prevailing on the respective dates of such transactions. The Funds do not isolate that portion of realized or unrealized gains and losses resulting from changes in the foreign exchange rate from fluctuations arising from changes in the market prices of the securities. These gains and losses are included in net realized and unrealized gains and losses on investments on the Statements of Operations. Net realized and unrealized gains and losses on foreign currency transactions represent net foreign exchange gains or losses from foreign currency exchange contracts, disposition of foreign currencies, currency gains or losses realized between trade and settlement dates on securities transactions and the difference between the amount of the investment income and foreign withholding taxes recorded on the Funds’ books and the U.S. dollar equivalent amounts actually received or paid. The Funds may be subject to foreign taxes related to foreign income received, capital gain on the sale of securities and certain foreign currency transactions (a portion of which may be reclaimable). All foreign taxes are recorded in accordance with the applicable regulations and rates that exist in the foreign jurisdictions in which the Funds invest.

**Cash and Cash Equivalents** – Idle cash may be swept into various overnight demand deposits and is classified as Cash and Cash equivalents on the Statements of Assets and Liabilities. The Funds maintain cash in bank deposit accounts which, at times, may exceed United States federally insured limits. Amounts swept overnight are available on the next business day.

**Dividends and Distributions to Shareholders** – Each Fund pays out dividends from its net investment income and distributes its net capital gains, if any, to investors at least annually. All distributions are recorded on ex-dividend date.

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**EMQQ/FMQQ**  
**Notes to Financial Statements**  
February 28, 2025 (Unaudited) (Continued)

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**2. SIGNIFICANT ACCOUNTING POLICIES (concluded)**

**Creation Units** – The Funds issue and redeem shares at NAV and only in Creation Units, or multiples thereof. Purchasers of Creation Units (“Authorized Participants”) at NAV must pay a standard creation transaction fee, regardless of the number of Creation Units created in a given transaction. An Authorized Participant who holds Creation Units and wishes to redeem at NAV would also pay a standard minimum redemption transaction fee to the custodian on the date of such redemption, regardless of the number of Creation Units redeemed in a given transaction. The Funds may charge, either in lieu of or in addition to the fixed creation transaction fee, a variable fee for creations and redemptions in order to cover certain non-standard brokerage, tax, foreign exchange, execution, market impact and other costs and expenses related to the execution of trades resulting from such transactions. In all cases, such fees will be limited in accordance with the requirements of the Commission applicable to management investment companies offering redeemable securities.

The Adviser may retain all or a portion of the transaction fee to the extent the Adviser bears the expenses that otherwise would be borne by the Trust in connection with the purchase or redemption of a Creation Unit, which the transaction fee is designed to cover.

Except when aggregated in Creation Units, shares are not redeemable securities of the Funds. Shares of the Funds may only be purchased or redeemed by certain Authorized Participants. An Authorized Participant is either (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the National Securities Clearing Corporation or (ii) a Depository Trust Company (“DTC”) participant and, in each case, must have executed an Authorized Participant Agreement with the Fund’s distributor. Most retail investors will not qualify as Authorized Participants or have the resources to buy and sell whole Creation Units. Therefore, they will be unable to purchase or redeem the shares directly from the Funds. Rather, most retail investors will purchase and sell shares in the secondary market with the assistance of a broker and will be subject to customary brokerage commissions or fees.

To the extent contemplated by an Authorized Participant Agreement, in the event an Authorized Participant has submitted a redemption request in proper form but is unable to transfer all or part of the shares comprising a Creation Unit to be redeemed to SEI Investments Distribution Co. (the “Distributor”), on behalf of the Funds, by the time as set forth in the Authorized Participant Agreement, the Distributor may nonetheless accept the redemption request in reliance on the undertaking by the Authorized Participant to deliver the missing shares as soon as possible, which undertaking shall be secured by the Authorized Participant’s delivery and maintenance of collateral equal to a percentage of the value of the missing shares as specified in the Authorized Participant Agreement. An Authorized Participant Agreement may permit the Funds to use such collateral to purchase the missing shares, and could subject an Authorized Participant to liability for any shortfall between the cost of the Funds acquiring such shares and the value of the collateral. Amounts are disclosed as Segregated Cash Balance from Authorized Participants for Deposit Securities and Collateral Payable upon Return of Deposit Securities on the Statements of Assets and Liabilities, when applicable.

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# EMQQ/FMQQ

## Notes to Financial Statements

February 28, 2025 (Unaudited) (Continued)

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### 3. SERVICE PROVIDERS

#### *Investment Advisory and Administrative Services*

The Adviser is an Oklahoma limited liability company located at 10900 Hefner Pointe Drive, Suite 400, Oklahoma City, Oklahoma 73120, its principal place of business, and 295 Madison Avenue, New York, New York 10017. The Adviser serves as the investment adviser to each Fund pursuant to an investment advisory agreement with the Trust (the "Advisory Agreement"). Under the Advisory Agreement, the Adviser provides investment advisory services to each Fund. With respect to EMQQ The Emerging Markets Internet ETF, the Adviser is responsible for, among other things, overseeing the sub-adviser (as defined below), including daily monitoring of the purchase and sale of securities by the sub-adviser and regular review of the sub-adviser's performance. With respect to FMQQ The Next Frontier Internet ETF, the Adviser is responsible for the day-to-day management of the Fund, including, among other things, implementing changes to the Fund's portfolio in connection with any rebalancing or reconstitution of its Index, trading portfolio securities on behalf of the Fund, and selecting broker-dealers to execute purchase and sale transactions, subject to the oversight of the Board. For the services it provides to the Funds, each Fund pays the Adviser a fee, which is calculated daily and paid monthly, at an annual rate of 0.86% of average daily net assets of each Fund.

ETC Platform Services, LLC ("ETC Platform Services"), a direct wholly-owned subsidiary of the Adviser, administers each Fund's business affairs and provides office facilities and equipment, certain clerical, bookkeeping and administrative services, paying agent services under the Fund's unitary fee arrangement (as described below), and its officers and employees to serve as officers or Trustees of the Trust. ETC Platform Services also arranges for transfer agency, custody, fund administration and accounting, and other non-distribution related services necessary for the Fund to operate. For the services it provides to the Fund, ETC Platform Services is paid a fee calculated daily and paid monthly based on a percentage of each Fund's average daily net assets.

Under the Advisory Agreement, the Adviser has agreed to pay all expenses incurred by the Funds (including the fee charged by ETC Platform Services) except for the advisory fee, interest, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, and distribution fees and expenses paid by the Funds under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act ("Excluded Expenses").

EMQQ Global LLC is the sponsor of each Fund's Index and each Fund (the "Sponsor"). In connection with an arrangement between the Adviser and the Sponsor, the Sponsor has agreed to assume the obligation of the Adviser to pay all expenses of the Funds (except Excluded Expenses) and, to the extent applicable, pay the Adviser a minimum fee. For its services, the Sponsor is entitled to a fee from the Adviser, which is calculated daily and paid monthly, based on a percentage of the average daily net assets of each Fund. The Sponsor does not make investment decisions, provide investment advice, or otherwise act in the capacity of an investment adviser to the either Fund.

A Trustee and certain officers of the Trust are affiliated with the Adviser and receive no compensation from the Trust for serving as officers and/or Trustee.

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# EMQQ/FMQQ

## Notes to Financial Statements

February 28, 2025 (Unaudited) (Continued)

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### 3. SERVICE PROVIDERS (concluded)

#### *Sub-Advisory Agreement (EMQQ The Emerging Markets Internet ETF only)*

Penserra Capital Management LLC (“Penserra” or the “Sub-Adviser”), a New York limited liability company located at 4 Orinda Way, Suite 100-A, Orinda, California 94563, serves as the sub-adviser to EMQQ The Emerging Markets Internet ETF pursuant to a sub-advisory agreement (the “Sub-Advisory-Agreement”). Under the Sub-Advisory Agreement, the Sub-Adviser is responsible for trading portfolio securities on behalf of the Fund, including selecting broker-dealers to execute purchase and sale transactions as instructed by the Adviser or in connection with any rebalancing or reconstitution of the Index, subject to the supervision of the Adviser and the Board. Under the Sub-Advisory Agreement, the Adviser pays the Sub-Adviser out of the fee the Adviser receives from the Fund.

The Sub-Adviser’s affiliated broker-dealer, Penserra Securities LLC, holds a minority interest in the Sub-Adviser. The Fund may execute brokerage or other agency transactions through registered broker dealer affiliates of the Fund, the Adviser, the Sub-Adviser or the distributor for a commission in conformity with the 1940 Act, the Securities Exchange Act of 1934 (the “1934 Act”) and rules promulgated by the Commission. For the six months ended February 28, 2025, the Funds did not pay commissions to affiliated brokers.

#### *Distribution Arrangement*

The Distributor serves as each Fund’s underwriter and distributor of each Fund’s shares pursuant to a distribution agreement (the “Distribution Agreement”). Under the Distribution Agreement, the Distributor, as agent, receives orders to purchase shares in Creation Units and transmits such orders to the Fund’s custodian and transfer agent. The Distributor has no obligation to sell any specific quantity of a Fund’s shares. The Distributor bears the following costs and expenses relating to the distribution of shares: (i) the expenses of maintaining its registration or qualification as a dealer or broker under federal or state laws; (ii) filing fees; and (iii) all other expenses incurred in connection with the distribution services, that are not reimbursed by the Adviser, as contemplated in the Distribution Agreement. The Distributor does not maintain any secondary market in any Fund’s shares.

The Funds have adopted a Distribution and Service Plan (the “Plan”) pursuant to Rule 12b-1 under the 1940 Act. In accordance with the Plan, the Funds are authorized to pay an amount up to 0.25% of its average daily net assets each year for certain distribution-related activities. For the six months ended February 28, 2025, no fees were charged by the Distributor under the Plan and the Plan will only be implemented with approval of the Board.

#### *Administrator, Custodian and Transfer Agent*

SEI Investments Global Funds Services serves as the Funds’ administrator pursuant to an administration agreement. Brown Brothers Harriman & Co. serves as the Funds’ custodian and transfer agent pursuant to a custodian agreement and transfer agency services agreement. The Adviser pays these fees.

An officer of the Trust is affiliated with the administrator and receives no compensation from the Trust for serving as an officer.

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## EMQQ/FMQQ

### Notes to Financial Statements

February 28, 2025 (Unaudited) (Continued)

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#### 4. INVESTMENT TRANSACTIONS

For the six months ended February 28, 2025, the purchases and sales of investments in securities, excluding in-kind transactions, long-term U.S. Government and short-term securities were:

	<u>Purchases</u>	<u>Sales and Maturities</u>
EMQQ The Emerging Markets Internet ETF .....	\$ 42,282,956	\$ 74,230,631
FMQQ The Next Frontier Internet ETF .....	3,152,505	3,481,459

For the six months ended February 28, 2025, there were no purchases or sales of long-term U.S. Government securities by the Funds.

For the six months ended February 28, 2025, in-kind transactions associated with creations and redemptions were:

	<u>Purchases</u>	<u>Sales</u>	<u>Net Realized Gain (Loss)</u>
EMQQ The Emerging Markets Internet ETF .....	\$ —	\$ 19,100,947	\$ 7,253,973
FMQQ The Next Frontier Internet ETF .....	—	599,329	326,295

#### 5. TAX INFORMATION

The amount and character of income and capital gain distributions to be paid, if any, are determined in accordance with Federal income tax regulations, which may differ from U.S. GAAP. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. These book/tax differences may be temporary or permanent. To the extent these differences are permanent in nature, they are charged or credited to paid-in capital and distributable earnings, as appropriate, in the period that the differences arise.

The tax character of distributions declared during the fiscal years ended August 31, 2024 and August 31, 2023, was as follows:

	<u>Ordinary Income</u>	<u>Long-Term Capital Gain</u>	<u>Totals</u>
<b>EMQQ The Emerging Markets Internet ETF</b>			
2024 .....	\$ 3,171,921	\$ —	\$ 3,171,921
2023 .....	—	—	—
<b>FMQQ The Next Frontier Internet ETF</b>			
2024 .....	\$ 20,951	\$ —	\$ 20,951
2023 .....	—	—	—

As of August 31, 2024, the components of Distributable Earnings (Accumulated Losses) on a tax basis were as follows:

	<u>EMQQ The Emerging Markets Internet ETF</u>	<u>FMQQ The Next Frontier Internet ETF</u>
Undistributed Ordinary Income .....	\$ 2,024,899	\$ 107,728
Post-October Losses .....	(48,450,856)	—
Capital Loss Carryforwards .....	(340,809,596)	(7,807,605)
Unrealized Appreciation (Depreciation) .....	(60,719,309)	3,578,257
Other Temporary Differences .....	(9)	—
Total Distributable Earnings (Accumulated Losses) .....	<u>\$ (447,954,871)</u>	<u>\$ (4,121,620)</u>

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# EMQQ/FMQQ

## Notes to Financial Statements

### February 28, 2025 (Unaudited) (Continued)

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#### 5. TAX INFORMATION (concluded)

Post-October capital losses represent capital losses realized on investment transactions from November 1, 2023 through August 31, 2024, that, in accordance with Federal income tax regulations, the Funds may elect to defer and treat as having arisen on the first day of the Fund's next taxable year.

The Funds are permitted to utilize capital losses that are carried forward and will retain their character as either short-term or long-term capital losses. As of August 31, 2024, the Funds had the following capital loss carryforwards to offset capital gains for an unlimited period:

	<u>Non-Expiring Short-Term</u>	<u>Non-Expiring Long-Term</u>	<u>Total Capital Loss Carryforwards</u>
EMQQ The Emerging Markets Internet ETF .....	\$ 112,614,367	\$ 228,195,229	\$ 340,809,596
FMQQ The Next Frontier Internet ETF .....	3,823,330	3,984,275	7,807,605

The Federal tax cost and aggregate gross unrealized appreciation and (depreciation) on investments held by the Funds at February 28, 2025, were as follows:

	<u>Federal Tax Cost</u>	<u>Aggregated Gross Unrealized Appreciation</u>	<u>Aggregated Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation (Depreciation)</u>
EMQQ The Emerging Markets Internet ETF .....	\$ 310,863,200	\$ 84,928,444	\$ (36,313,213)	\$ 48,615,231
FMQQ The Next Frontier Internet ETF .....	24,263,308	6,691,329	(3,297,493)	3,393,836

#### 6. PRINCIPAL RISKS OF INVESTING IN THE FUNDS

As with all exchange traded funds ("ETFs"), a shareholder of a Fund is subject to the risk that his or her investment could lose money. The Funds are subject to the principal risks noted below, any of which may adversely affect a Fund's NAV, trading price, yield, total return and ability to meet its investment objective. Risk information is applicable to each Fund unless otherwise noted. Additional principal risks are disclosed in the Funds' prospectus. Please refer to the Funds' prospectus for a complete description of the principal risks of investing in a Fund.

*Currency Exchange Rate Risk:* The Funds may invest a relatively large percentage of its assets in securities denominated in non-U.S. currencies. Changes in currency exchange rates and the relative value of non-U.S. currencies will affect the value of a Fund's investment and the value of your shares. Because a Fund's NAV is determined in U.S. dollars, a Fund's NAV could decline if the currency of the non-U.S. market in which the Fund invests depreciates against the U.S. dollar, even if the value of a Fund's holdings, measured in the foreign currency, increases. Currency exchange rates can be very volatile and can change quickly and unpredictably. As a result, the value of an investment in the Fund may change quickly and without warning and you may lose money.

*Emerging Markets Securities Risk:* Emerging markets are subject to greater market volatility, lower trading volume, political and economic instability, uncertainty regarding the existence of trading markets and more governmental limitations on foreign investment than more developed markets. In addition, securities in emerging markets may be subject to greater price fluctuations than securities in more developed markets. Differences in regulatory, accounting, auditing, and financial reporting and recordkeeping standards could impede the Adviser's or Sub-Adviser's ability to evaluate local companies and impact a Fund's performance. Investments in securities of issuers in emerging markets may also be exposed to risks related to a lack of liquidity, greater potential for market manipulation, issuers' limited reliable access to capital, and foreign investment structures. Additionally, the Funds may have limited rights and remedies available to it to pursue claims against issuers in emerging markets.



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# EMQQ/FMQQ

## Notes to Financial Statements

February 28, 2025 (Unaudited) (Continued)

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### 6. PRINCIPAL RISKS OF INVESTING IN THE FUNDS (continued)

*Foreign Securities Risk:* Investments in non-U.S. securities involve certain risks that may not be present with investments in U.S. securities. For example, investments in non-U.S. securities may be subject to risk of loss due to foreign currency fluctuations or to expropriation, nationalization or adverse political or economic developments. Foreign securities may have relatively low market liquidity and decreased publicly available information about issuers. Investments in non-U.S. securities also may be subject to withholding or other taxes and may be subject to additional trading, settlement, custodial, and operational risks. Non-U.S. issuers may also be subject to inconsistent and potentially less stringent accounting, auditing, financial reporting and investor protection standards than U.S. issuers. These and other factors can make investments in the Funds more volatile and potentially less liquid than other types of investments. In addition, where all or a portion of a Fund's portfolio holdings trade in markets that are closed when the Funds' market is open, there may be valuation differences that could lead to differences between a Fund's market price and the value of the Fund's portfolio holdings.

*Frontier Market Risk:* Certain foreign markets are only in the earliest stages of development and may be considered "frontier markets." Frontier financial markets generally are less liquid and more volatile than other markets, including markets in developing and emerging economies. Frontier markets have a high concentration of market capitalization and trading volume in a small number of issuers representing a limited number of industries. Securities may have limited marketability and be subject to erratic price movements. Frontier markets, particularly countries in the Middle East, have been, and may continue to be, impacted by political instability, war, terrorist activities and religious, ethnic and/or socioeconomic unrest. These and other factors make investing in frontier market countries significantly riskier than investing in developed market or emerging market countries.

*Limited Authorized Participants, Market Makers and Liquidity Providers Concentration Risk:* Because each Fund is an ETF, only a limited number of institutional investors (known as "Authorized Participants") are authorized to purchase and redeem shares directly from a Fund. In addition, there may be a limited number of market makers and/or liquidity providers in the marketplace. To the extent either of the following events occurs, the risk of which is higher during periods of market stress, shares of the Funds may trade at a material discount to NAV, possibly face delisting and may experience wider bid-ask spreads: (i) Authorized Participants exit the business or otherwise become unable to process creation and/or redemption orders and no other Authorized Participants step forward to perform these services, or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions.

*Market Risk:* The market price of an investment could decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The market value of an investment also may decline because of factors that affect a particular industry or industries such as labor shortages, increased production costs, and competitive conditions. Local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the market generally and on specific investments. For example, in recent years, the COVID-19 pandemic, the large expansion of government deficits and debt as a result of government actions to mitigate the effects of the pandemic, Russia's invasion of Ukraine, the conflict in the Middle East, and the rise of inflation have resulted in extreme volatility in the global economy and in global financial markets. Economies and financial markets throughout the world are becoming increasingly interconnected. As a result, whether or not the Fund invests in securities of issuers located in or with significant exposure to countries experiencing economic and financial difficulties, the value and liquidity of the Fund's investments may be negatively affected.

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**EMQQ/FMQQ**  
**Notes to Financial Statements**  
February 28, 2025 (Unaudited) (Continued)

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**6. PRINCIPAL RISKS OF INVESTING IN THE FUNDS (concluded)**

*Non-Diversification Risk:* The Funds are non-diversified, meaning that, as compared to a diversified fund, it can invest a greater percentage of its assets in securities issued by or representing a small number of issuers. As a result, the performance of these issuers can have a substantial impact on a Fund’s performance.

**7. SECURITIES LENDING**

The Funds have entered into a Securities Lending Agreement with Brown Brothers Harriman & Co. (the “Lending Agent”) to lend portfolio securities to brokers, dealers and other financial organizations that meet capital and other credit requirements or other criteria established by the Trust’s Board. These loans, if and when made, may not exceed 33 1/3% of the total asset value of the Funds (including the loan collateral). The Funds will not lend portfolio securities to the Adviser or its affiliates unless permissible under the 1940 Act and the rules and promulgations thereunder. Loans of portfolio securities will be fully collateralized by cash, letters of credit or U.S. government securities, and the collateral will be maintained in an amount equal to at least 102% of the value of domestic equity securities and American Depositary Receipts and 105% of the value of foreign equity securities (other than ADRs). However, due to market fluctuations during the day, the value of securities loaned on a particular day may, during the course of the day, exceed the value of collateral. On each business day, the amount of collateral is adjusted based on the prior day’s market fluctuations and the current day’s lending activity. Income from lending activity is determined by the amount of interest earned on collateral, less any amounts payable to the borrowers of the securities and the lending agent. Lending securities involves certain risks, including the risk that the Funds may be delayed or restricted from recovering the loaned securities or disposing of the collateral for the loan, which could give rise to loss because at adverse market actions, expenses and/or delays in connection with the disposition of the underlying securities. Any gain or loss in the market price of the securities loaned and income from lending activity by a Fund that might occur during the term of the loan would be for the account of the Fund. Cash collateral received in connection with securities lending is invested in short-term investments by the lending agent.

Securities lending transactions are entered into by the Funds under the Securities Lending Agreement, which permits the Funds, under certain circumstances such as an event of default, to offset amounts payable by a Fund to the same counterparty against amounts receivable from the counterparty to create a net payment due to or from the Fund.

The following is a summary of securities lending agreements held by the EMQQ The Emerging Markets Internet ETF, with cash collateral of overnight maturities and non-cash collateral, which would be subject to offset as of February 28, 2025:

Gross Amount of Recognized Assets (Value of Securities on Loan)	Value of Cash Collateral Received <sup>(1)</sup>	Value of Non- Cash Collateral Received	Net Amount
\$ 3,814,394	\$ 3,814,394	\$ —	\$ —

<sup>(1)</sup> Collateral received in excess of market value of securities on loan is not presented in this table. The total cash collateral received by the Fund is disclosed in the Statements of Assets and Liabilities.



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**EMQQ/FMQQ**  
**Notes to Financial Statements**  
February 28, 2025 (Unaudited) (Concluded)

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**7. SECURITIES LENDING (concluded)**

The value of loaned securities and related collateral outstanding at February 28, 2025 are shown in the Schedules of Investments. The value of the collateral held may be temporarily less than that required under the lending contract. As of February 28, 2025, the cash collateral was invested in a Short-Term Investment with the following maturity:

**EMQQ The Emerging Markets Internet ETF:**

	Overnight and Continuous	<30 Days	Between 30 & 90 Days	>90 Days	Total
Short-Term Investment . . . . .	\$ 4,008,387	\$ —	\$ —	\$ —	\$4,008,387

**8. OTHER**

At February 28, 2025, the records of the Trust reflected that 100% of the EMQQ The Emerging Markets Internet ETF and FMQQ The Next Frontier Internet ETF total shares outstanding were held by three and one Authorized Participant(s) respectively, in the form of Creation Units. However, the individual shares comprising such Creation Units are listed and traded on the Exchange and have been purchased and sold by persons other than Authorized Participants.

**9. RECENT MARKET EVENTS**

Local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the market generally and on specific securities. Periods of market volatility may occur in response to such events and other economic, political, and global macro factors.

Governments and central banks, including the Federal Reserve in the United States, took extraordinary and unprecedented actions to support local and global economies and the financial markets in response to the COVID-19 pandemic, including by keeping interest rates at historically low levels for an extended period. The Federal Reserve concluded its market support activities in 2022 and began to raise interest rates in an effort to fight inflation. However, the Federal Reserve has recently lowered interest rates and may continue to do so. This and other government intervention into the economy and financial markets to address the pandemic, inflation, or other significant events in the future may not work as intended, particularly if the efforts are perceived by investors as being unlikely to achieve the desired results.

**10. SUBSEQUENT EVENTS**

Effective on June 1, 2025, the sub-advisory agreement between the Adviser and the Sub-Adviser will terminate and Penserra will no longer serve as the EMQQ The Emerging Markets Internet ETF sub-adviser. In addition, effective as of the start of business on April 7, 2025, the Adviser assumed all of the duties and responsibilities previously delegated by the Adviser to the Sub-Adviser. These changes will have no effect on the Fund’s investment objective or principal investment strategies.

The Funds have evaluated the need for additional disclosures (other than what is disclosed in the preceding paragraph) and/or adjustments resulting from subsequent events through the date the financial statements were issued. Based on this evaluation, no additional disclosures and/or adjustments were required to the financial statements.

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# EMQQ/FMQQ

## Other Information (Form N-CSRS Items 8-11)

(Unaudited)

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**Item 8. Changes in and Disagreements with Accountants for Open-End Management Investment Companies.**

Not applicable.

**Item 9. Proxy Disclosures for Open-End Management Investment Companies.**

There were no matters submitted to a vote of shareholders during the period covered by this report.

**Item 10. Remuneration Paid to Directors, Officers, and Others of Open-End Management Investment Companies.**

Remuneration was paid by the company during the period covered by the report to Trustees on the company's Board of Trustees. The Board of Trustees expensed \$9,092 to each Fund in the Trust for the period covered by the report.

**Item 11. Statement Regarding Basis for Approval of Investment Advisory Contract.**

*Approval of Continuance of Investment Advisory and Sub-Advisory Agreements for EMQQ*

At a meeting held on September 17, 2024 (the "Meeting"), the Board of Trustees (the "Board") of Exchange Traded Concepts Trust (the "Trust") considered and approved the continuance of the following agreements (the "Agreements") with respect to the EMQQ The Emerging Markets Internet ETF (the "Fund"):

- the investment advisory agreement between the Trust, on behalf of the Fund, and Exchange Traded Concepts, LLC ("ETC"), pursuant to which ETC provides advisory services to the Fund; and
- the sub-advisory agreement between ETC and Penserra Capital Management, LLC ("Penserra"), pursuant to which Penserra provides sub-advisory services to the Fund.

Pursuant to Section 15 of the Investment Company Act of 1940 (the "1940 Act"), the Agreements must be approved by a vote of: (i) the Trustees or the shareholders of the Fund and (ii) a majority of the Trustees who are not parties to the Agreements or "interested persons" of any party thereto, as defined in the 1940 Act (the "Independent Trustees"), cast in person at a meeting called for the purpose of voting on such approval. In connection with its consideration of such approvals, the Board must request and evaluate, and ETC and Penserra are required to furnish, such information as may be reasonably necessary to evaluate the terms of the Agreements. In addition, rules under the 1940 Act require the Fund to disclose in its shareholder reports the material factors and the conclusions with respect thereto that formed the basis for the Board's approval of the Agreements.

Consistent with these responsibilities, prior to the Meeting, the Board reviewed materials from ETC and Penserra and at the Meeting representatives from ETC presented additional information to help the Board evaluate the Agreements. Among other things, representatives from ETC provided an overview of its advisory business, including investment personnel and investment processes. Prior to the Meeting, the Trustees met to review and discuss certain information provided. During the Meeting, the Board discussed the materials it received, including a memorandum from legal counsel to the Independent Trustees on the responsibilities of Trustees in considering the approval of investment advisory agreements under the 1940 Act, considered ETC's oral presentation, and deliberated on the approval of the Agreements in light of this information. Throughout the process, the Trustees were afforded the opportunity to ask questions of and request additional materials from ETC and Penserra. The Independent Trustees were assisted in their review by independent legal counsel and met with counsel separately and without management present.

In considering whether to approve the continuance of the Agreements, the Board took into account the materials provided for the Meeting, the extensive discussion before and during the Meeting, including the discussion the Independent Trustees had during their executive session with independent legal counsel. In particular, the Board

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## EMQQ/FMQQ

### Other Information (Form N-CSRS Items 8-11)

(Unaudited) (Continued)

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took into consideration (i) the nature, extent, and quality of the services provided by ETC and Penserra to the Fund; (ii) the Fund's performance; (iii) ETC's and Penserra's costs of and profits realized from providing advisory and sub-advisory services to the Fund, including any fall-out benefits to ETC and Penserra or their respective affiliates; (iv) comparative fee and expense data; (v) the extent to which the advisory fee for the Fund reflects economies of scale shared with Fund shareholders; and (vi) other factors the Board deemed to be relevant.

*Nature, Extent, and Quality of Services.* With respect to the nature, extent, and quality of the services provided to the Fund, the Board considered ETC's and Penserra's specific responsibilities in all aspects of day-to-day management of the Fund. The Board noted that (i) ETC's responsibilities include overseeing the activities of Penserra with respect to the Fund, including regular review of Penserra's performance; monitoring compliance with various policies and procedures and applicable securities regulations; quarterly reporting to the Board; and implementing Board directives as they relate to the Fund, and (ii) subject to the supervision of ETC and oversight of the Board, Penserra's responsibilities include implementing changes to the Fund's portfolio in connection with any rebalancing or reconstitution of the underlying index; trading portfolio securities and other investment instruments on behalf of the Fund; selecting broker-dealers to execute purchase and sale transactions; determining the daily baskets of deposit securities and cash components; executing portfolio securities trades for purchases and redemptions of Fund shares conducted on a cash-in-lieu basis; overseeing general portfolio compliance with relevant law; monitoring compliance with various policies and procedures and applicable securities regulations; quarterly reporting to the Board; and implementing Board directives as they relate to the Fund. The Board noted that it had been provided with ETC's and Penserra's registration forms on Form ADV as well as their responses to a detailed series of questions, which included a description of their operations, services, personnel, compliance programs, risk management programs, and financial conditions, and whether there have been material changes to such information since it was last presented to the Board. The Board considered the qualifications, experience, and responsibilities of ETC's and Penserra's investment personnel, the quality of ETC's and Penserra's compliance infrastructure, and the determination of the Trust's Chief Compliance Officer that each has appropriate compliance policies and procedures in place. The Board considered ETC's and Penserra's experience working with ETFs, including the Fund, and noted ETC's experience managing other series of the Trust and other ETFs outside of the Trust.

The Board also noted the sophistication of the index tracked by the Fund including the complex processes utilized by the index provider in designing and maintaining the index and the resources devoted to operate such an index.

The Board also considered other services provided to the Fund by ETC, including through its affiliates, such as arranging for transfer agency, custody, fund administration and accounting, and other non-distribution related services necessary for the Fund to operate; administering the Fund's business affairs; providing office facilities and equipment and certain clerical, bookkeeping, and administrative services; liaising with and reporting to the Board on matters relating to Fund operations, portfolio management and other matters essential to the Fund's business activities; supervising the Fund's registration as an investment company and the offering of Fund shares to the public, including oversight and preparation of regulatory filings; working with ETF market participants, including authorized participants, market makers, and exchanges, to help facilitate an orderly trading environment for the Fund's shares; and providing its officers and employees to serve as officers or Trustees of the Trust. Based on the factors discussed above, as well as those discussed below, the Board concluded that it was satisfied with the nature, extent, and quality of the services provided to the Fund by ETC and Penserra.

*Performance.* The Board reviewed the Fund's performance in light of its stated investment objective, noting that the Fund is passively managed and its objective was to provide investment results that correspond to the total return performance of its index. The Board was provided reports regarding the Fund's past performance, including a report from Penserra comparing the Fund's performance to the performance of its underlying index for various time periods ended June 30, 2024. The Board found that the Fund generally performed in line with its index over

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## EMQQ/FMQQ

### Other Information (Form N-CSRS Items 8-11)

(Unaudited) (Continued)

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the relevant period. The Board reviewed information regarding the attribution of the Fund's index tracking, noting that the significant component of the underperformance was the tax impact due to accrued capital gains tax and adjustments on certain sales of cash in lieu positions in the basket due to redemptions. The Board found that there were no other material components that contributed to tracking error and further noted that it received regular reports regarding the Fund's performance, including tracking error, at its quarterly meetings throughout the year.

*Economies of Scale.* The Board considered whether economies of scale have been realized with respect to the Fund. The Board concluded that no significant economies of scale have been realized, noting a recent drop in the Fund's assets, and that the Board will have the opportunity to periodically reexamine whether such economies have been achieved.

*Conclusion.* No single factor was determinative of the Board's decision to approve the continuance of the Agreements on behalf of the Fund; rather, the Board based its determination on the total mix of information available to it. Based on a consideration of all the factors in their totality, the Board, including the Independent Trustees, determined that the Agreements, including the compensation payable thereunder, were fair and reasonable to the Fund. The Board, including the Independent Trustees, therefore determined that the approval of the continuance of the Agreements was in the best interests of the Fund and its shareholders.

#### *Approval of Continuance of Investment Advisory Agreement with respect to FMQQ*

At a meeting held on September 17, 2024 (the "Meeting"), the Board of Trustees (the "Board") of Exchange Traded Concepts Trust (the "Trust") considered and approved the continuance of the investment advisory agreement between the Trust, on behalf of the FMQQ The Next Frontier Internet ETF (the "Fund"), and Exchange Traded Concepts, LLC ("ETC") pursuant to which ETC provides advisory services to the Fund (the "Agreement").

Pursuant to Section 15 of the Investment Company Act of 1940 (the "1940 Act"), the Agreement must be approved by a vote of (i) the Trustees or the shareholders of the Fund and (ii) a majority of the Trustees who are not parties to the Agreement or "interested persons" of any party thereto, as defined in the 1940 Act (the "Independent Trustees"), cast in person at a meeting called for the purpose of voting on such approval. In connection with its consideration of such approvals, the Board must request and evaluate, and ETC is required to furnish, such information as may be reasonably necessary to evaluate the terms of the Agreement. In addition, rules under the 1940 Act require the Fund to disclose in its shareholder reports the material factors and the conclusions with respect thereto that formed the basis for the Board's approval of the Agreement.

Consistent with these responsibilities, prior to the Meeting, the Board reviewed written materials from ETC and, at the Meeting, representatives from ETC presented additional oral and written information to help the Board evaluate the Agreement. Among other things, representatives from ETC provided an overview of its advisory business, including investment personnel and investment processes. During the Meeting, the Board discussed the materials it received, including a memorandum from legal counsel to the Independent Trustees on the responsibilities of Trustees in considering the approval of investment advisory agreements under the 1940 Act, considered ETC's oral presentation, and deliberated on the approval of the Agreement in light of this information. Throughout the process, the Trustees were afforded the opportunity to ask questions of and request additional materials from ETC. The Independent Trustees were assisted in their review by independent legal counsel and met with counsel separately and without management present.

In considering whether to approve the continuance of the Agreement, the Board took into account the materials provided for the Meeting, the extensive discussion before and during the Meeting, including the discussion the Independent Trustees had during their executive session with independent legal counsel. In particular, the Board took into consideration (i) the nature, extent, and quality of the services provided by ETC to the Fund; (ii) the Fund's performance; (iii) ETC's costs of and profits realized from providing advisory services to the Fund, including any



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## EMQQ/FMQQ

### Other Information (Form N-CSRS Items 8-11)

(Unaudited) (Continued)

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fall-out benefits to ETC or its affiliates; (iv) comparative fee and expense data; (v) the extent to which the advisory fee for the Fund reflects economies of scale shared with Fund shareholders; and (vi) other factors the Board deemed to be relevant.

*Nature, Extent, and Quality of Services.* With respect to the nature, extent, and quality of the services provided to the Funds, the Board considered ETC's specific responsibilities in all aspects of the day-to-day management of the Funds.

The Board considered that responsibilities with respect to the Funds' portfolios include developing, implementing, and maintaining the Fund's investment program; implementing changes to a Fund's portfolio in connection with any rebalancing or reconstitution of the underlying index; selecting broker-dealers to execute purchase and sale transactions; determining the daily baskets of deposit securities and cash components; executing portfolio securities trades for purchases and redemptions of Fund shares conducted on a cash-in-lieu basis. The Board considered that beyond portfolio management, ETC, including through its affiliates, also maintains responsibilities for overseeing compliance with relevant law; monitoring compliance with various policies and procedures and applicable securities regulations; the provision of various administrative services to the Fund and oversight of third-party administrators, quarterly reporting to the Board; and implementing Board directives as they relate to the Fund. The Board considered that those services also include arranging for and providing oversight of transfer agency, custody, fund administration and accounting, and other non-distribution related services necessary for the Fund to operate; administering the Fund's business affairs; providing office facilities and equipment and certain clerical, bookkeeping, and administrative services; liaising with and reporting to the Board on matters relating to Fund operations; supervising the Fund's registration as an investment company and the offering of Fund shares to the public, including oversight and preparation of regulatory filings; working with ETF market participants, including authorized participants, market makers, and exchanges, to help facilitate an orderly trading environment for the Fund's shares; and providing its officers and employees to serve as officers or Trustees of the Trust.

The Board noted that it has reviewed ETC's responses to a detailed series of questions, which included a description of ETC's consolidated operations, services, personnel, compliance program, risk management program, and financial condition, and an overview of the material changes to such information since it was last presented to the Board. The Board considered the qualifications, experience, and responsibilities of ETC's investment personnel, the quality of ETC's compliance infrastructure, and the determination of the Trust's Chief Compliance Officer that ETC has procedures that are reasonably designed to comply with the federal securities laws. The Board considered ETC's experience working with ETFs, including the Fund, other series of the Trust, and other ETFs outside of the Trust. The Board also noted no material changes to ETC's staffing, management, or overall condition over the past year. Based on the factors discussed above, as well as those discussed below, the Board concluded that it was satisfied with the nature, extent, and quality of services provided to the Fund by ETC.

*Performance.* The Board reviewed the Fund's performance in light of its stated investment objective, noting that the Fund is passively managed and the Fund's objective was to provide investment results that correspond to the total return performance of its index. The Board was provided reports regarding the Fund's past performance, including a report comparing the Fund's performance to the performance of its underlying index for various time periods ended June 30, 2024, and the Board found that the Fund generally performed in line with its index over the relevant period. The Board reviewed information regarding the Fund's index tracking, noting, as applicable, the factors that contributed to the Fund's tracking error, such as the Fund's unitary fee.

*Cost of Advisory Services and Profitability.* The Board reviewed the advisory fee paid by the Fund to ETC under the Agreement. The Board reviewed reports prepared by ISS, an independent third party, comparing the Fund's advisory fee to those paid by a group of peer funds. The Board noted that the report included mutual funds in the peer group, which were intended to enhance the Board's ability to evaluate the quality of fees and expenses on a broader scale. The Board took into account the differences in operations and fee structures between ETFs and mutual

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**EMQQ/FMQQ**  
**Other Information (Form N-CSRS Items 8-11)**  
(Unaudited) (Concluded)

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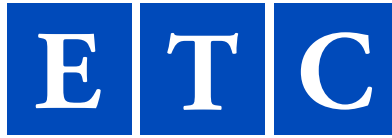
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funds and gave such weight to the mutual fund data as it deemed appropriate. The Board noted that ISS selected the particular mutual funds that were included in its report. In support of its review of the statistical information, the Board was provided with a description of the methodology used by ISS to prepare this information. The Board noted that the Fund's advisory fee was the highest among the peer ETFs, although less than the net total expenses of the mutual funds included in the report, and higher than the median of the whole peer group.

The Board took into consideration that the advisory fee for the Fund is a "unitary fee," meaning that the Fund pays no expenses other than the advisory fee and certain expenses customarily excluded from unitary fee arrangements, such as brokerage commissions, taxes and interest. The Board noted that, under the Agreement, ETC is responsible for compensating the Funds' other service providers and paying the Funds' other expenses out of its own fee and resources and that, while the Funds' index provider has assumed such responsibility, ETC is ultimately responsible for ensuring the obligation is satisfied. The Board considered information provided about the costs and expenses incurred by ETC in providing advisory services, evaluated the compensation and benefits received by ETC from its relationship with the Fund, and reviewed profitability information from ETC with respect to the Fund. The Board considered the risks borne by ETC associated with providing services to the Funds, including the entrepreneurial risk associated with sponsoring new funds, as well as the enterprise risk emanating from litigation and reputational risks, operational and business risks, and other risks associated with the ongoing management of the Funds. Based on the foregoing information, the Board concluded that the advisory fee appeared reasonable in light of the services rendered.

*Economies of Scale.* The Board considered whether economies of scale have been realized with respect to the Funds. The Board concluded that no significant economies of scale have been realized and that the Board will have the opportunity to periodically reexamine whether such economies have been achieved.

*Conclusion.* No single factor was determinative of the Board's decision to approve the continuance of the Agreement on behalf of the Funds; rather, the Board based its determination on the total mix of information available to it. Based on a consideration of all the factors in their totality, the Board, including the Independent Trustees, determined that the Agreement, including the compensation payable thereunder, was fair and reasonable to the Funds. The Board, including the Independent Trustees, therefore determined that the approval of the continuance of the Agreement was in the best interests of the Fund and its shareholders.



**Exchange Traded Concepts**

10900 Hefner Pointe Drive, Suite 400  
Oklahoma City, OK 73120

**Investment Adviser:**

Exchange Traded Concepts, LLC  
10900 Hefner Pointe Drive, Suite 400  
Oklahoma City, OK 73120

**Distributor:**

SEI Investments Distribution Co.  
One Freedom Valley Drive  
Oaks, PA 19456

**Administrator:**

SEI Investments Global Funds Services  
One Freedom Valley Drive  
Oaks, PA 19456

**Legal Counsel:**

Chapman and Cutler LLP  
320 South Canal Street  
Chicago, IL 60606

**Independent Registered Public Accounting Firm:**

Cohen & Company, Ltd.  
1350 Euclid Avenue, Suite 800  
Cleveland, OH 44115

This information must be preceded or accompanied by a current prospectus for the Funds.

For additional information about the Funds; including prospectus, financial information, holdings, and proxy voting information, call or visit:

- 1-855-888-9892
- <https://emqgetf.com/materials/>
- <https://fmqgetf.com/materials/>