



# F/m Emerald Life Sciences Innovation ETF

LFSC | NASDAQ

Annual Shareholder Report | August 31, 2025



This annual shareholder report contains important information about the F/m Emerald Life Sciences Innovation ETF (the "Fund") for the period from October 30, 2024, to August 31, 2025. You can find additional information about the Fund at <https://www.emeraldetfs.com/lfsc/>. You can also request this information by contacting us at 1-800-617-0004.

## WHAT WERE THE FUND COSTS FOR THE PAST YEAR? (based on a hypothetical \$10,000 investment)\*\*

Fund Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment*
F/m Emerald Life Sciences Innovation ETF	\$48	0.54%

\* Annualized

\*\* Inception date of the Fund was 10/30/2024. Costs of a \$10,000 investment in the Fund for a full annual period would have been higher.

## HOW DID THE FUND PERFORM LAST YEAR AND WHAT AFFECTED ITS PERFORMANCE?

The F/m Emerald Life Sciences Innovation ETF's total return for the ten months ended August 31, 2025 was +11.49% at NAV, materially outpacing its benchmark, the Russell 3000 Health Care Index, which had a total return of -6.35%.

### WHAT FACTORS INFLUENCED PERFORMANCE?

The healthcare sector moved inversely to the broad market, with the Russell 3000 Health Care Index falling -6.35% for the trailing period and materially lagging the performance of the Russell 3000 and the Russell 2000 Indices, which returned 12.29% and 7.22% for the trailing period, respectively. Several negative factors came together for the sector as a combination of uncertainty related to evolving policy of the new U.S. Presidential administration specific to pharmaceutical pricing and manufacturing, changes in leadership at the Food and Drug Administration (FDA), and rising healthcare utilization, higher medical loss ratios and Medicare/Medicaid rate cuts weighed heavily on sector sentiment. Given this backdrop, and the well-televised issues that pressured the shares of UnitedHealth Group Inc., the health care management services industry within the Russell 3000 Healthcare sector was the most challenged.

Despite the challenges outlined above, the F/m Emerald Life Sciences Innovation ETF significantly outperformed the Russell 3000 Health Care Index for the period as a result of both strong stock selection and relative positioning. At the industry level, relative outperformance within the biotechnology, health care management services, pharmaceuticals, medical equipment and medical services industries more than offset the negative contribution to return from stock selection driven relative underperformance within the medical services industry. In aggregate, stock selection was the largest driver of outperformance and at the holdings level, the Fund benefited from clinical advancement, commercialization success, and merger and acquisition activity within the biotechnology and pharmaceutical industries. Holdings within these industries represented approximately 67.4% of the Fund on average for the period. Relative outperformance of the medical equipment companies, which represented approximately 22% of the portfolio on average for the period, also contributed to performance driven by innovation, market share gains, and higher levels of healthcare utilization.

In addition to the above, also contributing to performance was the Fund's structural overweight to smaller capitalization stocks within the Russell 3000 Health Care Index. As highlighted above, the Russell 2000 healthcare sector outperformed the broader Russell 3000 healthcare sector, which proved to be a tailwind given that those companies with a market capitalization of \$5.5B or less comprised 77.55% of the Fund on average for the period compared to the benchmark average weight of approximately 6.77%.

### Top Contributors

- ↑ BridgeBio Pharma, Inc. (BBIO)
- ↑ Intra-Cellular Therapies (ITCI)
- ↑ TransMedics Group, Inc. (TMDX)

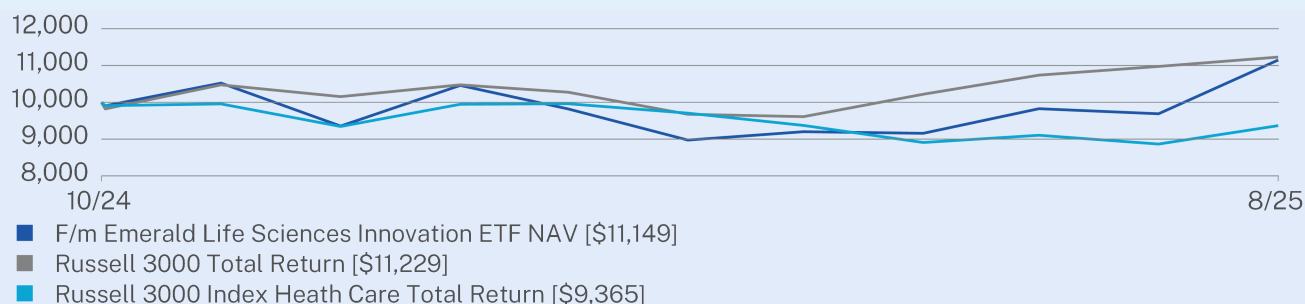
## Top Detractors

- ↓ Sarepta Therapeutics, Inc. (SRPT)
- ↓ Wave Life Sciences Ltd. (WVE)
- ↓ Biohaven Ltd. (BHAVN)

## HOW DID THE FUND PERFORM SINCE INCEPTION?\*

The \$10,000 chart reflects a hypothetical \$10,000 investment in the Fund. The chart uses total return NAV performance and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses, were deducted.

### CUMULATIVE PERFORMANCE (Initial Investment of \$10,000)



### ANNUAL AVERAGE TOTAL RETURN (%)

	Since Inception (10/30/2024)
<b>F/m Emerald Life Sciences Innovation ETF</b>	11.49
<b>Russell 3000 Total Return</b>	12.29
<b>Russell 3000 Health Care Index Total Return</b>	-6.35

Visit <https://www.emeraldetfs.com/lfsc/> for more recent performance information.

\* **The Fund's past performance is not a good predictor of how the Fund will perform in the future.** The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

### KEY FUND STATISTICS (as of August 31, 2025)

<b>Net Assets</b>	\$64,580,987
<b>Number of Holdings</b>	35
<b>Net Advisory Fee</b>	\$240,113
<b>Portfolio Turnover</b>	19%

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## WHAT DID THE FUND INVEST IN? (as of August 31, 2025)

### Sector Breakdown (% of net assets)

Top 10 Holdings	(% of Net Assets)
LivaNova PLC	6.7%
Soleno Therapeutics, Inc.	5.8%
Traverse Therapeutics, Inc.	5.3%
RadNet, Inc.	5.1%
TransMedics Group, Inc.	5.0%
WaVe Life Sciences Ltd.	4.7%
Madrigal Pharmaceuticals, Inc.	4.3%
Guardant Health, Inc.	4.2%
KalVista Pharmaceuticals, Inc.	4.1%
Merit Medical Systems, Inc.	4.1%

### Top Sectors

	(% of Net Assets)
Health Care	98.7%
Cash & Other	1.3%

For additional information about the Fund; including its prospectus, financial information, holdings and proxy information, scan the QR code or visit <https://www.emeraldetfs.com/lfsc/>.

### HOUSEHOLDING

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). If you would prefer that your Fund documents not be househanded, please contact the Fund at 1-800-617-0004, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by the Fund or your financial intermediary.