



# Semi-Annual Shareholder Report

Day Hagan/Ned Davis Research Smart Sector ETF (SSUS)

Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF (SSFI)

Day Hagan/Ned Davis Research Smart Sector International ETF (SSXU)

OCTOBER 31, 2023

You may elect to receive all shareholder reports in paper free of charge. You can contact your financial intermediary to request that you receive paper copies of your reports. Your election to receive reports in paper will apply to all funds held with your financial intermediary.





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As a Fund shareholder, you may incur two types of costs: (1) transaction costs, including commissions on trading, as applicable; and (2) a unified management fee. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The expense examples below are based on an investment of \$1,000 invested at May 1, 2023 and held through the period ended October 31, 2023.

The **Actual Expense** figures in the table below provide information about actual account values and actual expenses. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled "Actual Expenses Paid During the Period" to estimate the expenses you paid on your account during this period.

The **Hypothetical Expense** figures in the table below provides information about hypothetical account values and hypothetical expenses based on each Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not each Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in your Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the examples are useful in comparing ongoing costs only and will not help you determine the relative total cost of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

| Fund   | Beginning Account Value 5/1/23 | Actual Ending Account Value 10/31/23 | Hypothetical Ending Account Value 10/31/23 <sup>(1)</sup> | Actual Expenses Paid During the Period <sup>(2)</sup> | Hypothetical Expenses Paid During the Period <sup>(1)(2)</sup> | Annualized Net Expense Ratio During the Period |
|--|--------------------------------|--------------------------------------|---|---|--|--|
| Day Hagan/Ned Davis Research Smart Sector ETF (SSUS)               | \$1,000.00                     | \$995.80                             | \$1,021.72  | \$3.41  | \$3.46   | 0.68%  |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF (SSFI)  | 1,000.00                       | 942.90                               | 1,021.72  | 3.32  | 3.46   | 0.68%  |
| Day Hagan/Ned Davis Research Smart Sector International ETF (SSXU) | 1,000.00                       | 933.40                               | 1,021.72  | 3.30  | 3.46   | 0.68%  |

(1) Represents the hypothetical 5% annual return before expenses.

(2) Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period multiplied by 184/365 (to reflect the one half year period).

# Day Hagan/Ned Davis Research Smart Sector ETF (SSUS)

## Portfolio of Investments Summary Table

October 31, 2023 (Unaudited)

|                       | Percentage of Value |
|-----------------------|---------------------|
| Exchange-Traded Funds | 100.0%              |
| <b>Total</b>          | <b>100.0%</b>       |

Portfolio holdings and allocations are subject to change. As of October 31, 2023, percentages in the table above are based on total investments. Such total investments may differ from the percentages set forth in the following Portfolio of Investments which are computed using the Fund's total net assets.

## Portfolio of Investments

| <i>Shares</i>  | <i>Value</i>         |
|--|----------------------|
| <b>Exchange-Traded Funds — 98.5%</b>                       |                      |
| 467,023 Communication Services Select Sector SPDR Fund ETF | \$30,225,729         |
| 144,944 Consumer Discretionary Select Sector SPDR Fund ETF | 22,045,982           |
| 169,638 Consumer Staples Select Sector SPDR Fund ETF       | 11,511,635           |
| 123,943 Energy Select Sector SPDR Fund ETF                 | 10,558,704           |
| 892,048 Financial Select Sector SPDR Fund ETF              | 28,866,673           |
| 326,365 Health Care Select Sector SPDR Fund ETF            | 40,645,497           |
| 208,024 Industrial Select Sector SPDR Fund ETF             | 20,461,241           |
| 102,876 Materials Select Sector SPDR Fund ETF              | 7,824,749            |
| 83,744 Real Estate Select Sector SPDR Fund ETF             | 2,771,926            |
| 2,831,430 SPDR Bloomberg 1-3 Month T-Bill ETF              | 259,981,902          |
| 460,452 Technology Select Sector SPDR Fund ETF             | 75,518,733           |
| 196,290 Utilities Select Sector SPDR Fund ETF              | 11,716,550           |
| <b>Total Exchange-Traded Funds (Cost \$532,612,591)</b>    | <b>\$522,129,321</b> |
| <b>Total Investments — 98.5%</b>                           |                      |
| <b>(Cost \$532,612,591)</b>                                | <b>\$522,129,321</b> |
| <b>Other Assets less Liabilities — 1.5%</b>                | <b>7,792,919</b>     |
| <b>Net Assets — 100.0%</b>                                 | <b>\$529,922,240</b> |

ETF — Exchange-Traded Fund

SPDR — Standard and Poor's Depository Receipts

(See notes which are an integral part of the Financial Statements)

# Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF (SSFI)

## Portfolio of Investments Summary Table

October 31, 2023 (Unaudited)

|                       | Percentage of Value |
|-----------------------|---------------------|
| Exchange-Traded Funds | 100.0%              |
| <b>Total</b>          | <b>100.0%</b>       |

Portfolio holdings and allocations are subject to change. As of October 31, 2023, percentages in the table above are based on total investments. Such total investments may differ from the percentages set forth in the following Portfolio of Investments which are computed using the Fund's total net assets.

## Portfolio of Investments

| <i>Shares</i>   | <i>Value</i>        |
|---|---------------------|
| <b>Exchange-Traded Funds — 99.1%</b>                          |                     |
| 17,568 iShares 3-7 Year Treasury Bond ETF                     | \$1,972,711         |
| 119,089 SPDR Bloomberg 1-3 Month T-Bill ETF                   | 10,934,751          |
| 49,314 SPDR Bloomberg Investment Grade Floating Rate ETF      | 1,513,447           |
| 72,649 SPDR Portfolio Corporate Bond ETF                      | 1,959,344           |
| 115,125 SPDR Portfolio High Yield Bond ETF                    | 2,540,809           |
| 235,815 SPDR Portfolio Long Term Treasury ETF                 | 5,848,211           |
| 207,685 SPDR Portfolio Mortgage Backed Bond ETF               | 4,213,929           |
| 37,293 Vanguard Emerging Markets Government Bond ETF          | 2,163,740           |
| 54,543 Vanguard Short-Term Inflation-Protected Securities ETF | 2,571,157           |
| 107,843 Vanguard Total International Bond ETF                 | 5,141,954           |
| <b>Total Exchange-Traded Funds (Cost \$40,443,994)</b>        | <b>\$38,860,053</b> |
| <b>Total Investments — 99.1%</b>                              |                     |
| <b>(Cost \$40,443,994)</b>                                    | <b>\$38,860,053</b> |
| <b>Other Assets less Liabilities — 0.9%</b>                   | <b>350,702</b>      |
| <b>Net Assets — 100.0%</b>                                    | <b>\$39,210,755</b> |

ETF — Exchange-Traded Fund

SPDR — Standard and Poor's Depository Receipts

(See notes which are an integral part of the Financial Statements)

# Day Hagan/Ned Davis Research Smart Sector International ETF (SSXU)

## Portfolio of Investments Summary Table

October 31, 2023 (Unaudited)

|                       | Percentage of Value |
|-----------------------|---------------------|
| Exchange-Traded Funds | 100.0%              |
| <b>Total</b>          | <b>100.0%</b>       |

Portfolio holdings and allocations are subject to change. As of October 31, 2023, percentages in the table above are based on total investments. Such total investments may differ from the percentages set forth in the following Portfolio of Investments which are computed using the Fund's total net assets.

## Portfolio of Investments

| <i>Shares</i>  | <i>Value</i>        |
|--|---------------------|
| <b>Exchange-Traded Funds — 99.6%</b>                   |                     |
| 37,248 iShares MSCI Australia ETF                      | \$772,524           |
| 32,487 iShares MSCI Brazil ETF                         | 967,138             |
| 40,993 iShares MSCI Canada ETF                         | 1,301,118           |
| 34,529 iShares MSCI China ETF                          | 1,443,657           |
| 27,598 iShares MSCI France ETF                         | 950,751             |
| 34,647 iShares MSCI Germany ETF                        | 872,411             |
| 25,270 iShares MSCI India ETF                          | 1,092,675           |
| 32,476 iShares MSCI Italy ETF                          | 971,032             |
| 55,334 iShares MSCI Japan ETF                          | 3,262,493           |
| 1,344 iShares MSCI Mexico ETF                          | 73,651              |
| 35,252 iShares MSCI Peru and Global Exposure ETF       | 1,017,020           |
| 62,414 iShares MSCI Poland ETF                         | 1,238,918           |
| 2,918 iShares MSCI Spain ETF                           | 78,086              |
| 20,896 iShares MSCI Switzerland ETF                    | 875,960             |
| 23,641 iShares MSCI United Kingdom ETF                 | 721,051             |
| 205,215 SPDR Bloomberg 1-3 Month T-Bill ETF            | 18,842,841          |
| <b>Total Exchange-Traded Funds (Cost \$34,754,732)</b> | <b>\$34,481,326</b> |
| <b>Total Investments — 99.6%</b>                       |                     |
| <b>(Cost \$34,754,732)</b>                             | <b>\$34,481,326</b> |
| <b>Other Assets less Liabilities — 0.4%</b>            | <b>126,134</b>      |
| <b>Net Assets — 100.0%</b>                             | <b>\$34,607,460</b> |

ETF — Exchange-Traded Fund

MSCI — Morgan Stanley Capital International

SPDR — Standard and Poor's Depository Receipts

(See notes which are an integral part of the Financial Statements)



# Statements of Assets and Liabilities

October 31, 2023 (Unaudited)

|   | Day Hagan/Ned Davis<br>Research Smart Sector<br>ETF (SSUS) | Day Hagan/Ned Davis<br>Research Smart Sector<br>Fixed Income ETF (SSFI) | Day Hagan/Ned Davis<br>Research Smart Sector<br>International ETF (SSXU) |
|---|--|---|--|
| <b>Assets:</b>  |  |   |  |
| Investments, at value (Cost \$532,612,591, \$40,443,994 and \$34,754,732) | \$522,129,321  | \$38,860,053  | \$34,481,326   |
| Cash and Cash Equivalents   | 8,181,787  | 375,111   | 148,512  |
| Receivable for investments sold   | 262,435,781  | 8,175,408   | 15,579,829   |
| <b>Total Assets</b>   | <b>792,746,889</b>   | <b>47,410,572</b>   | <b>50,209,667</b>  |
| <b>Liabilities:</b>   |  |   |  |
| Payable for investments purchased   | 260,024,374  | 8,176,621   | 15,582,287   |
| Payable for capital shares redeemed                                       | 2,489,073  | —   | —  |
| Accrued expenses:   |  |   |  |
| Advisory  | 311,202  | 23,196  | 19,920   |
| <b>Total Liabilities</b>  | <b>262,824,649</b>   | <b>8,199,817</b>  | <b>15,602,207</b>  |
| <b>Net Assets</b>   | <b>\$529,922,240</b>                                       | <b>\$39,210,755</b>   | <b>\$34,607,460</b>  |
| <b>Net Assets consist of:</b>   |  |   |  |
| Paid in Capital   | \$586,656,855  | \$45,402,485  | \$36,216,828   |
| Total Distributable Earnings / (Loss)                                     | (56,734,615)   | (6,191,730)   | (1,609,368)  |
| <b>Net Assets</b>   | <b>\$529,922,240</b>                                       | <b>\$39,210,755</b>   | <b>\$34,607,460</b>  |
| <b>Net Assets:</b>  | <b>\$529,922,240</b>                                       | <b>\$39,210,755</b>   | <b>\$34,607,460</b>  |
| <b>Shares of Beneficial Interest Outstanding</b>                          |  |   |  |
| <b>(unlimited number of shares authorized, no par value):</b>             | <b>15,925,000</b>  | <b>1,925,000</b>  | <b>1,350,000</b>   |
| <b>Net Asset Value (offering and redemption price per share):</b>         | <b>\$33.28</b>   | <b>\$20.37</b>  | <b>\$25.64</b>   |

(See notes which are an integral part of the Financial Statements)

## Statements of Operations

For the six months ended October 31, 2023 (Unaudited)

|   | Day Hagan/Ned Davis<br>Research Smart Sector<br>ETF (SSUS) | Day Hagan/Ned Davis<br>Research Smart Sector<br>Fixed Income ETF (SSFI) | Day Hagan/Ned Davis<br>Research Smart Sector<br>International ETF (SSXU) |
|---|--|---|--|
| <b>Investment Income:</b>                                     |  |   |  |
| Dividend income   | \$4,069,505  | \$833,498   | \$375,429  |
| Interest income   | 596  | –   | –  |
| Total Investment Income                                       | 4,070,101  | 833,498   | 375,429  |
| <b>Expenses:</b>  |  |   |  |
| Advisory  | 1,756,833  | 138,716   | 101,446  |
| <b>Total Net Expenses</b>                                     | 1,756,833  | 138,716   | 101,446  |
| <b>Net Investment Income</b>                                  | 2,313,268  | 694,782   | 273,983  |
| <b>Realized and Unrealized Gains (Losses):</b>                |  |   |  |
| Net realized gains (losses) from investment transactions      | (30,523,168)   | (1,128,112)   | (2,028,715)  |
| Net realized gains (losses) from in-kind transactions         | 55,661,119   | 142,899   | 628,792  |
| Change in unrealized appreciation/depreciation on investments | (36,342,282)   | (2,134,520)   | (862,659)  |
| Net Realized and Unrealized Gains (Losses)                    | (11,204,331)   | (3,119,733)   | (2,262,582)  |
| <b>Change in Net Assets Resulting From Operations</b>         | <b>\$(8,891,063)</b>                                       | <b>\$(2,424,951)</b>  | <b>\$(1,988,599)</b>   |

(See notes which are an integral part of the Financial Statements)

## Statements of Changes in Net Assets

|  | Day Hagan/Ned Davis Research<br>Smart Sector ETF (SSUS) |                              | Day Hagan/Ned Davis Research<br>Smart Sector Fixed Income ETF<br>(SSFI) |                              |
|--|---|------------------------------|---|------------------------------|
|  | Six Months Ended<br>October 31, 2023<br>(Unaudited)     | Year Ended<br>April 30, 2023 | Six Months Ended<br>October 31, 2023<br>(Unaudited)                     | Year Ended<br>April 30, 2023 |
| <b>From Investment Activities:</b>                                   |   |                              |   |                              |
| <b>Operations:</b>   |   |                              |   |                              |
| Net investment income  | \$2,313,268   | \$3,341,883                  | \$694,782   | \$840,078                    |
| Net realized gains (losses) from investment and in-kind transactions | 25,137,951  | (41,973,416)                 | (985,213)   | (3,409,869)                  |
| Change in unrealized appreciation/depreciation on investments        | (36,342,282)  | 48,036,918                   | (2,134,520)   | 2,071,753                    |
| Change in net assets resulting from operations                       | (8,891,063)   | 9,405,385                    | (2,424,951)   | (498,038)                    |
| <b>Distributions to Shareholders:</b>                                |   |                              |   |                              |
| Total distributions  | —   | (2,718,667)                  | (559,605)   | (660,063)                    |
| Change in net assets from distributions                              | —   | (2,718,667)                  | (559,605)   | (660,063)                    |
| <b>Capital Transactions:</b>   |   |                              |   |                              |
| Proceeds from shares issued  | 632,346,393   | 377,342,234                  | 11,287,051  | 20,894,920                   |
| Cost of shares redeemed  | (518,835,809)   | (426,132,900)                | (11,809,066)  | (1,630,849)                  |
| Change in net assets from capital transactions                       | 113,510,584   | (48,790,666)                 | (522,015)   | 19,264,071                   |
| Change in net assets   | 104,619,521   | (42,103,948)                 | (3,506,571)   | 18,105,970                   |
| <b>Net Assets:</b>   |   |                              |   |                              |
| Beginning of period  | 425,302,719   | 467,406,667                  | 42,717,326  | 24,611,356                   |
| End of period  | \$529,922,240   | \$425,302,719                | \$39,210,755  | \$42,717,326                 |
| <b>Share Transactions:</b>   |   |                              |   |                              |
| Issued   | 17,900,000  | 12,025,000                   | 525,000   | 950,000                      |
| Redeemed   | (14,700,000)  | (13,600,000)                 | (550,000)   | (75,000)                     |
| Change in shares   | 3,200,000   | (1,575,000)                  | (25,000)  | 875,000                      |

(See notes which are an integral part of the Financial Statements)

## Statements of Changes in Net Assets (Continued)

|  | <b>Day Hagan/Ned Davis Research<br/>Smart Sector International ETF<br/>(SSXU)</b> |  |
|--|---|--|
|  | <b>Six Months Ended<br/>October 31, 2023<br/>(Unaudited)</b>                      | <b>For the period<br/>June 30, 2022<sup>(a)</sup><br/>through<br/>April 30, 2023</b> |
| <b>From Investment Activities:</b>                                   |   |  |
| <b>Operations:</b>   |   |  |
| Net investment income  | \$273,983   | \$32,494   |
| Net realized gains (losses) from investment and in-kind transactions | (1,399,923)   | 661,964  |
| Change in unrealized appreciation/depreciation on investments        | (862,659)   | 589,253  |
| Change in net assets resulting from operations                       | (1,988,599)   | 1,283,711  |
| <b>Distributions to Shareholders:</b>                                |   |  |
| Total distributions  | —   | (61,811)   |
| Change in net assets from distributions                              | —   | (61,811)   |
| <b>Capital Transactions:</b>   |   |  |
| Proceeds from shares issued  | 28,396,340  | 26,588,399   |
| Cost of shares redeemed  | (9,651,896)   | (9,958,684)  |
| Change in net assets from capital transactions                       | 18,744,444  | 16,629,715   |
| Change in net assets   | 16,755,845  | 17,851,615   |
| <b>Net Assets:</b>   |   |  |
| Beginning of period  | 17,851,615  | —  |
| End of period  | \$34,607,460  | \$17,851,615   |
| <b>Share Transactions:</b>   |   |  |
| Issued   | 1,050,000   | 1,025,000  |
| Redeemed   | (350,000)   | (375,000)  |
| Change in shares   | 700,000   | 650,000  |

(a) Commencement of operations.

(See notes which are an integral part of the Financial Statements)

## Financial Highlights

|   | Net Asset Value, beginning of period | Net investment income (loss) <sup>(a)</sup> | Net realized and unrealized gains (losses) <sup>(a)</sup> | Total from investment activities | Distributions from net investment income | Total distributions | Net Asset Value, end of period | Total return at Net Asset Value <sup>(b)(c)</sup> | Total return at market <sup>(b)(d)</sup> | Ratio of Expenses to Average Net Assets <sup>(e)</sup> | Ratio of Gross Expenses to Average Net Assets <sup>(e)</sup> | Ratio of Net Investment Income (Loss) to Average Net Assets <sup>(e)</sup> | Net Assets at end of period (000's) | Portfolio turnover <sup>(b)(f)</sup> |
|---|--------------------------------------|---|---|----------------------------------|--|---------------------|--------------------------------|---|--|--|--|--|-------------------------------------|--------------------------------------|
| <b>Day Hagan/Ned Davis Research Smart Sector ETF (SSUS)</b>               |                                      |   |   |                                  |  |                     |                                |   |  |  |  |  |                                     |                                      |
| Six Months ended October 31, 2023 (Unaudited)                             | \$33.42                              | 0.16  | (0.30)  | (0.14)                           | —  | —                   | \$33.28                        | (0.42)%   | 0.12%                                    | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 0.90%  | \$529,922                           | 174%                                 |
| Year Ended April 30, 2023   | \$32.69                              | 0.23  | 0.69  | 0.92                             | (0.19)                                   | (0.19)              | \$33.42                        | 2.89%   | 2.83%                                    | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 0.74%  | \$425,303                           | 207%                                 |
| Year Ended April 30, 2022   | \$32.46                              | 0.18  | 0.25  | 0.43                             | (0.20)                                   | (0.20)              | \$32.69                        | 1.26%   | 1.29%                                    | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 0.52%  | \$467,407                           | 111%                                 |
| Year Ended April 30, 2021   | \$22.04                              | 0.20  | 10.36   | 10.56                            | (0.14)                                   | (0.14)              | \$32.46                        | 48.02%  | 47.19%                                   | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 0.71%  | \$221,537                           | 84%                                  |
| January 16, 2020 <sup>(h)</sup> through April 30, 2020                    | \$24.86                              | 0.01  | (2.83)  | (2.82)                           | —  | —                   | \$22.04                        | (11.34)%  | (10.90)%                                 | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 0.23%  | \$46,278                            | 27%                                  |
| <b>Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF (SSF1)</b>  |                                      |   |   |                                  |  |                     |                                |   |  |  |  |  |                                     |                                      |
| Six Months ended October 31, 2023 (Unaudited)                             | \$21.91                              | 0.37  | (1.61)  | (1.24)                           | (0.30)                                   | (0.30)              | \$20.37                        | (5.71)%   | (5.66)%                                  | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 3.42%  | \$39,211                            | 69%                                  |
| Year Ended April 30, 2023   | \$22.89                              | 0.60  | (1.12)  | (0.52)                           | (0.46)                                   | (0.46)              | \$21.91                        | (2.21)%   | (2.21)%                                  | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 2.72%  | \$42,717                            | 174%                                 |
| September 28, 2021 <sup>(h)</sup> through April 30, 2022                  | \$24.85                              | 0.27  | (2.02)  | (1.75)                           | (0.21)                                   | (0.21)              | \$22.89                        | (7.10)%   | (7.06)%                                  | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 1.87%  | \$24,611                            | 85%                                  |
| <b>Day Hagan/Ned Davis Research Smart Sector International ETF (SSXU)</b> |                                      |   |   |                                  |  |                     |                                |   |  |  |  |  |                                     |                                      |
| Six Months ended October 31, 2023 (Unaudited)                             | \$27.46                              | 0.25  | (2.07)  | (1.82)                           | —  | —                   | \$25.64                        | (6.66)%   | (6.51)%                                  | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 1.84%  | \$34,607                            | 193%                                 |
| June 30, 2022 <sup>(h)</sup> through April 30, 2023                       | \$24.82                              | 0.09  | 2.71  | 2.80                             | (0.16)                                   | (0.16)              | \$27.46                        | 11.36%  | 11.29%                                   | 0.68% <sup>(g)</sup>                                   | 0.68% <sup>(g)</sup>   | 0.40%  | \$17,852                            | 231%                                 |

(a) Calculated using the average shares method.

(b) Not annualized for periods less than one year.

(c) Net asset value total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all distributions, including dividends and return of capital, at net asset value during the period, if any, and redemption on the last day of the period at net asset value. This percentage is not an indication of the performance of a shareholder's investment in the Fund based on market value due to differences between the market price of the shares and the net asset value per share of the Fund.

(d) Market value total return is calculated assuming an initial investment made at the market value at the beginning of the period, reinvestment of all distributions, including dividends and return of capital, at net asset value during the period, if any, and redemption on the last day of the period at market value. Market value is determined by the composite closing price. Composite closing security price is defined as the last reported sale price from any primary listing market (e.g., Nasdaq) or participating regional exchanges or markets. The composite closing price is the last reported sale price from any of the eligible sources, regardless of volume and not an average price and may have occurred on a date prior to the close of the reporting period. Market value may be greater or less than net asset value, depending on the Fund's closing price on the listing market.

(e) Annualized for periods less than one year.

(f) Portfolio turnover increases/decreases due to change within the portfolio holdings during the period.

(g) The Fund invests in other funds and indirectly bears its proportionate shares of fees and expenses incurred by the underlying funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

(h) Commencement of operations.

(See notes which are an integral part of the Financial Statements)

**(1) Organization**

Strategy Shares (the “Trust”) was organized on September 7, 2010 as a Delaware statutory trust. The Trust is registered under the Investment Company Act of 1940 (the “1940 Act”), as an open-end management investment company. The Declaration of Trust permits the Trust to issue an unlimited number of shares of beneficial interest (“Shares”) in one or more series representing interests in separate portfolios of securities. Currently, the Trust offers its Shares in six separate series. The accompanying Financial Statements relate to the following series: Day Hagan/Ned Davis Research Smart Sector ETF (SSUS), Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF (SSFI) and Day Hagan/Ned Davis Research Smart Sector International ETF (SSXU) (individually referred to as a “Fund,” or collectively as the “Funds”). Day Hagan/Ned Davis Research Smart Sector ETF (SSUS) is classified as a diversified fund under the 1940 Act, while Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF (SSFI) and Day Hagan/Ned Davis Research Smart Sector International ETF (SSXU) are classified as non-diversified under the 1940 Act. Each Fund is an actively-managed exchange-traded fund. The investment objective of the Day Hagan/Ned Davis Research Smart Sector ETF is to seek long-term capital appreciation and preservation of capital. The investment objective of each of the Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF and the Day Hagan/Ned Davis Research Smart Sector International ETF is to seek total return, consisting of income and capital appreciation. The Funds’ prospectuses provide a description of each Fund’s investment objectives, policies, and strategies. The assets of each Fund are segregated, and a shareholder’s interest is limited to the Fund in which shares are held.

The Day Hagan/Ned Davis Research Smart Sector ETF commenced operations January 16, 2020. The Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF commenced operations on September 28, 2021. The Day Hagan/Ned Davis Research Smart Sector International ETF commenced operations June 30, 2022. Shares of each Fund are listed and traded on the NYSE Arca, Inc. Market prices for the Shares may be different from their net asset value (“NAV”). Each Fund issues and redeems Shares on a continuous basis at NAV only in large blocks, currently 25,000 Shares, called “Creation Units.” Creation Units are issued and redeemed principally in-kind for securities included in a specified universe. Once created, Shares generally trade in the secondary market at market prices that change throughout the day in amounts less than a Creation Unit.

Under the Trust’s organizational documents, its officers and Board of Trustees (“the Board”) are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Trust may enter into contracts with vendors and others that provide for general indemnifications. The Trust’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust. However, based on experience, the Trust expects that risk of loss to be remote.

**(2) Significant Accounting Policies**

The following is a summary of significant accounting policies consistently followed by each Fund in the preparation of its financial statements. These policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”). Each Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946

*Financial Services - Investment Companies.* The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets, 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.

**A. Investment Valuations**

The Funds hold investments at fair value. Fair value is defined as the price that would be expected to be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation techniques used to determine fair value are further described below.

Security values are ordinarily obtained through the use of independent pricing services in accordance with procedures approved by the Trust’s Board. Pursuant to these procedures, the Funds may use a pricing service, bank, or broker-dealer experienced in such matters to value the Funds’ securities. When reliable market quotations are not readily available for any security, the fair value of that security will be determined in accordance with procedures approved by the Board. The fair valuation process is designed to value the subject security at the price the Funds would reasonably expect to receive upon its current sale. Additional consideration is given to securities that have experienced a decrease in the volume or level of activity or to circumstances that indicate that a transaction is not orderly.

The Trust has a three-tier fair value hierarchy that is dependent upon the various “inputs” used to determine the value of the Funds’ investments. The valuation techniques described below maximize the use of observable inputs and minimize the use of unobservable inputs in determining fair value. These inputs are summarized in the three broad levels listed below:

- Level 1 – Quoted prices in active markets for identical assets.
- Level 2 – Other observable pricing inputs at the measurement date (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).
- Level 3 – Significant unobservable pricing inputs at the measurement date (including the Fund’s own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

Equity securities (including foreign equity securities) traded on a securities exchange are valued at the last reported sales price on the principal exchange, except that equity securities traded on the Nasdaq Stock Market (“Nasdaq”) are valued at the Nasdaq official closing price. If there is no reported sale on the principal exchange, and in the case of over-the-counter securities, equity securities are valued at the mean of the quoted bid and asked prices. In each of these situations, valuations are typically categorized as Level 1 in the fair value hierarchy.

Debt securities traded on a national securities exchange or in the over-the-counter market are valued at the last reported sales price on the principal exchange. If there is no reported sale on the principal exchange, and for all other debt securities, debt securities are valued at a price supplied by a security pricing service. In each of these situations, valuations are typically categorized as Level 2 in the fair value hierarchy.

## Notes to Financial Statements (Continued)

The following table provides the fair value measurement as of October 31, 2023.

| Fund   | Level 1              | Total Investments    |
|--|----------------------|----------------------|
| <b>Day Hagan/Ned Davis Research Smart Sector ETF</b>               |                      |                      |
| Exchange-Traded Funds  | \$522,129,321        | \$522,129,321        |
| Total Investments  | <u>\$522,129,321</u> | <u>\$522,129,321</u> |
| <b>Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF</b>  |                      |                      |
| Exchange-Traded Funds  | \$38,860,053         | \$38,860,053         |
| Total Investments  | <u>\$38,860,053</u>  | <u>\$38,860,053</u>  |
| <b>Day Hagan/Ned Davis Research Smart Sector International ETF</b> |                      |                      |
| Exchange-Traded Funds  | \$34,481,326         | \$34,481,326         |
| Total Investments  | <u>\$34,481,326</u>  | <u>\$34,481,326</u>  |

For the period ended October 31, 2023, there were no Level 3 investments for which significant unobservable inputs were used to determine fair value.

### B. Security Transactions and Related Income

Investment transactions are accounted for no later than the first calculation of the NAV on the business day following the trade date. For financial reporting purposes, however, security transactions are accounted for on the trade date on the last business day of the reporting period. Discounts and premiums on securities purchased are amortized over the lives of the respective securities using the effective interest method. Securities gains and losses are calculated on the identified cost basis. Interest income and expenses are accrued daily. Dividends, less foreign tax withholding, if any, are recorded on the ex-dividend date. Investment income from non-U.S. sources received by the Fund is generally subject to non-U.S. withholding taxes at rates ranging up to 30%. Such withholding taxes may be reduced or eliminated under the terms of applicable U.S. income tax treaties. The Funds may be subject to foreign taxes on gains in investments or currency repatriation. The Funds accrue such taxes, as applicable, based on their current interpretation of tax rules in the foreign markets in which they invest.

### C. 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.

### D. Dividends and Distributions to Shareholders

Dividends to shareholders are recorded on the ex-dividend date. For the Day Hagan/Ned Davis Research Smart Sector ETF and Day Hagan/Ned Davis Research Smart Sector International ETF, dividends from net investment income, if any, are declared and paid annually. For the Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF, dividends from net investment income, if any, are declared and paid quarterly. Net realized capital gains, if any, are distributed at least annually.

The amount of dividends from net investment income and net realized gains are determined in accordance with federal income tax regulations, which may differ from GAAP. These “book/tax” differences are considered either temporary or permanent in nature. To the extent these differences are permanent in nature (e.g., distributions and income received from pass-through investments, differing treatment of income relating to swap agreements), such amounts are reclassified within the capital accounts based on their nature for federal income tax purposes; temporary differences do not require reclassification. Temporary differences are primarily due to wash sales and differing treatment on certain investments. To the extent dividends and distributions exceed net investment income and net realized gains for tax purposes, they are reported as distribution of capital.

### E. Allocation of Expenses

Expenses directly attributable to a Fund are charged to that Fund. Expenses not directly attributable to a Fund are allocated proportionally among all series of the Trust in relation to the net assets of each series or on another reasonable basis. The Trust may share expenses with Mutual Fund and Variable Insurance Trust, an open-end management investment company managed by Rational Advisors, Inc. Those expenses that are shared are allocated proportionally among each of the trusts or on another reasonable basis.

#### (3) Investment Advisory and Other Contractual Services

##### A. Investment Advisory Fees

Donald L. Hagan, LLC, doing business as Day Hagan Asset Management (the “Advisor”), serves as the Funds’ investment advisor pursuant to a Management Agreement. Subject at all times to the oversight of the Board, the Advisor is responsible for the overall management of the Funds. The Trust has arranged for distribution, custody, fund administration, transfer agency and all other services necessary for the Fund to operate. Each Fund pays 0.68% of its average daily net assets, computed daily and paid monthly, for advisory services it receives from the advisor. These fees are each structured as a “Unified Fee,” pursuant to which the Advisor is obligated to pay or arrange for the payment of substantially all expenses of the Funds (including, without limitation, transfer agent fees, administrative fees and expenses, custodian fees, legal fees, accounting fees, any other expenses (including clerical expenses) of issue, sale, repurchase or redemption of shares, expenses of registering or qualifying shares for sale, transfer taxes, all expenses of preparing the Trust’s registration statements and prospectuses for the Funds, and the cost of printing and delivering to shareholders prospectuses and reports), except the Funds’ Advisory fee; taxes; brokerage commissions and trading costs; interest (including borrowing costs and overdraft charges); short sale dividends and interest expenses; acquired fund fees and expenses; and non-routine or extraordinary expenses of the Funds (such as litigation or reorganizational costs), each of which is paid by the Funds. The Advisor’s Unified Fee is designed to cause substantially all of each Fund’s expenses to be paid and to compensate the Advisor for providing services for the Funds.

## Notes to Financial Statements (Continued)

### B. Distribution and Shareholder Services Fees

Foreside Fund Services, LLC (the “Distributor”) is the principal underwriter and distributor of each Fund’s Shares. The Distributor is compensated by the Advisor in accordance with a Distribution Services Agreement between the Advisor and the Distributor. The Trust has adopted but has yet to implement a Rule 12b-1 Distribution Plan (the “Plan”). The Plan is designed to compensate or reimburse financial intermediaries (including the Distributor, the Advisor, and their affiliates) for activities principally intended to result in the sale of Fund shares, such as advertising and marketing of shares (including printing and disseminating prospectuses and sales literature to prospective shareholders and financial intermediaries) and providing incentives to financial intermediaries to sell shares. The Plan is also designed to cover the cost of administrative services performed in conjunction with the sale of shares, including, but not limited to, shareholder services, recordkeeping services and educational services, as well as the costs of implementing and operating the Plan. In accordance with the Plan, the Distributor may enter into agreements with financial intermediaries and dealers relating to distribution and/or marketing services with respect to the Funds. Pursuant to the Plan, each Fund may pay a 12b-1 fee not to exceed 0.25% per year of its average daily net assets. No 12b-1 fee is currently paid by the Funds and the Board has not approved any payments under the Plan.

#### (4) Investment Transactions

Purchases and sales of investments, excluding in-kind transactions and short-term investments, for the period ended October 31, 2023 were as follows:

| Fund  | Purchases     | Sales         |
|---|---------------|---------------|
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$877,174,034 | \$862,641,708 |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | 27,138,063    | 26,911,288    |
| Day Hagan/Ned Davis Research Smart Sector International ETF | 56,131,906    | 55,442,604    |

Purchases and sales of in-kind transactions for the period ended October 31, 2023 were as follows:

| Fund  | Purchases     | Sales         |
|---|---------------|---------------|
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$616,835,911 | \$518,962,590 |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | 11,104,848    | 11,640,335    |
| Day Hagan/Ned Davis Research Smart Sector International ETF | 27,818,271    | 9,598,178     |

#### (5) Capital Share Transactions

Shares are issued and redeemed by each Fund only in aggregations of a specified number of shares or multiples thereof at net asset value. Except when aggregated in Creation Units, shares of each Fund are not redeemable. Transactions in shares for each Fund are disclosed in detail on the Statements of Changes in Net Assets.

The consideration for the purchase of Creation Units of a Fund generally consists of the in-kind deposit of a designated basket of securities, which constitutes an optimized representation of the securities of that Fund’s specified universe, and an amount of

cash. Investors purchasing and redeeming Creation Units may be charged a transaction fee to cover the transfer and other transactional costs it incurs to issue or redeem Creation Units. The standard charge and maximum transaction fee for each Fund are \$250 and \$1,000, respectively.

From time to time, settlement of securities related to subscriptions-in-kind or redemptions-in-kind may be delayed. In such cases, securities related to in-kind contributions are reflected as “Due from custodian” and securities related to in-kind redemptions are reflected as “Securities payable related to in-kind transactions” on the Statements of Assets and Liabilities.

During the period ended October 31, 2023, the Fund received securities in exchange for subscriptions of capital shares (subscriptions-in-kind) and distributed securities in exchange for redemptions (redemption-in-kind) as follows:

| Fund  | Fair Value of Subscriptions-in-Kind | Fair Value of Redemptions-in-Kind |
|---|-------------------------------------|-----------------------------------|
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$616,835,911                       | \$518,962,590                     |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | 11,104,848                          | 11,640,335                        |
| Day Hagan/Ned Davis Research Smart Sector International ETF | 27,818,271                          | 9,598,178                         |

#### (6) Federal Income Taxes

It is the policy of each Fund to qualify or continue to qualify as a regulated investment company by complying with the provisions available to certain investment companies, as defined in applicable sections of the Internal Revenue Code, and to make distributions of net investment income and net realized capital gains sufficient to relieve it from all, or substantially all, federal income taxes.

The Trust has evaluated tax positions taken or expected to be taken in the course of preparing each Fund’s tax returns to determine whether it is more-likely-than not (i.e., greater than 50-percent chance) that each tax position will be sustained upon examination by a taxing authority based on the technical merits of the position. A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. Differences between tax positions taken in a tax return and amounts recognized in the financial statements will generally result in an increase in a liability for taxes payable (or a reduction of a tax refund receivable), including the recognition of any related interest and penalties as an operating expense. Tax positions taken in tax years remain subject to examination by tax authorities (generally three years plus the interim tax period since then for federal income tax purposes). The determination has been made that there are not any uncertain tax positions that would require the Funds to record a tax liability and, therefore, there is no impact to the Fund’s financial statements. The Funds recognize interest and penalties, if any, related to unrecognized tax benefits as income tax expense on the Statements of Operations. During the period ended October 31, 2023, the Funds did not incur any interest or penalties. The tax year end for the Funds is April 30.



## Notes to Financial Statements (Continued)

As of April 30, 2023, the tax cost of securities and the breakdown of unrealized appreciation/(depreciation) were as follows:

| Fund  | Tax Cost of Securities | Unrealized Appreciation | Unrealized Depreciation | Net Unrealized Appreciation/ (Depreciation) |
|---|------------------------|-------------------------|-------------------------|---|
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$403,239,327          | \$28,802,764            | \$(11,114,087)          | \$17,688,677                                |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | 43,165,723             | 585,962                 | (1,463,188)             | (877,226)                                   |
| Day Hagan/Ned Davis Research Smart Sector International ETF | 17,265,123             | 667,848                 | (98,457)                | 569,391                                     |

The differences between book-basis and tax-basis unrealized appreciation/depreciation are attributable primarily to basis adjustments for wash sales.

The tax character of distributions paid during the tax year or period ended April 30, 2023 were as follows:

| Fund  | Distributions paid from |                             |                             |                   |                          |
|---|-------------------------|-----------------------------|-----------------------------|-------------------|--------------------------|
|   | Ordinary Income         | Net Long Term Capital Gains | Total Taxable Distributions | Return of Capital | Total Distributions Paid |
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$2,718,667             | \$ –                        | \$2,718,667                 | \$ –              | \$2,718,667              |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | 660,063                 | –                           | 660,063                     | –                 | 660,063                  |
| Day Hagan/Ned Davis Research Smart Sector International ETF | 61,811                  | –                           | 61,811                      | –                 | 61,811                   |

As of April 30, 2023, the components of distributed earnings/(loss) on a tax basis were as follows:

| Fund  | Undistributed Ordinary Income | Undistributed Long Term Capital Gains | Distributed Earnings | Accumulated Capital and Other Losses | Unrealized Appreciation/ (Depreciation) | Total Distributed Earnings/(Loss) |
|---|-------------------------------|---------------------------------------|----------------------|--------------------------------------|---|-----------------------------------|
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$463,896                     | \$ –                                  | \$463,896            | \$(65,996,125)                       | \$17,688,677                            | \$(47,843,552)                    |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | 213,409                       | –                                     | 213,409              | (2,543,357)                          | (877,226)                               | (3,207,174)                       |
| Day Hagan/Ned Davis Research Smart Sector International ETF | –                             | –                                     | –                    | (190,160)                            | 569,391                                 | 379,231                           |

### Permanent Tax Differences:

As of the tax year or period ended April 30, 2023, the following reclassifications relating primarily to redemptions in-kind and taxable over-distributions have been made to increase (decrease) such accounts with offsetting adjustments as indicated:

| Fund  | Total Distributable Earnings/(Loss) | Paid in Capital |
|---|-------------------------------------|-----------------|
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$(27,466,335)                      | \$27,466,335    |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | 13,249                              | (13,249)        |
| Day Hagan/Ned Davis Research Smart Sector International ETF | (842,669)                           | 842,669         |

Temporary tax differences (e.g. wash sales) do not require a reclassification.

Under current tax law, certain ordinary losses arising after December 31 of a Fund's fiscal year may be deferred and treated as occurring on the first business day of the following tax year for tax purposes. The following Fund's deferred losses are as follows:

| Fund  | Late Year Ordinary Loss Deferrals |
|---|-----------------------------------|
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$ –                              |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | –                                 |
| Day Hagan/Ned Davis Research Smart Sector International ETF | 29,305                            |

As of April 30, 2023, the Funds have net capital loss carryforwards ("CLCF") as summarized in the table below. These CLCFs are not subject to expiration:

| Fund  | Short-Term Amount | Long-Term Amount | Total        |
|---|-------------------|------------------|--------------|
| Day Hagan/Ned Davis Research Smart Sector ETF               | \$63,646,245      | \$2,349,880      | \$65,996,125 |
| Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF  | 2,543,357         | –                | 2,543,357    |
| Day Hagan/Ned Davis Research Smart Sector International ETF | 160,855           | –                | 160,855      |

## Notes to Financial Statements (Continued)

### (7) Investment Risks

This section discusses certain common principal risks encountered by the Funds. Each Fund may be subject to other risks in addition to these identified risks. The risks are presented in an order intended to facilitate readability, and their order does not imply that the realization of one risk is likely to occur more frequently than another risk, nor does it imply that the realization of one risk is likely to have a greater adverse impact than another risk.

#### ETF Risk

The NAV of a Fund can fluctuate up or down, and you could lose money investing in a Fund if the prices of the securities owned by the Fund decline. In addition, a Fund may be subject to the following risks: (1) the market price of a Fund's shares may trade above or below its NAV; (2) an active trading market for a Fund's shares may not develop or be maintained; or (3) trading of a Fund's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally.

#### Market Risk

Overall market risks may also affect the value of the Funds. The market values of securities or other investments owned by the Funds will go up or down, sometimes rapidly or unpredictably. Factors such as economic growth and market conditions, interest rate levels, exchange rates and political events affect the securities markets. Changes in market conditions and interest rates generally do not have the same impact on all types of securities and instruments. Unexpected local, regional or global events and their aftermath, such as war; acts of terrorism; financial, political or social disruptions; natural, environmental or manmade disasters; the spread of infectious illnesses or other public health issues; recessions and depressions; or other tragedies, catastrophes and events could have a significant impact on the Funds and their investments and could result in increased premiums or

discounts to the Funds' net asset values, and may impair market liquidity, thereby increasing liquidity risk. Such events can cause investor fear and panic, which can adversely affect the economies of many companies, sectors, nations, regions and the market in general, in ways that cannot necessarily be foreseen. The Funds could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. During a general market downturn, multiple asset classes may be negatively affected. In times of severe market disruptions you could lose your entire investment.

#### Underlying Fund Risk

The ETFs in which the Funds invest are subject to investment advisory and other expenses, which will be indirectly paid by the Funds. As a result, the cost of investing in the Funds will be higher than the cost of investing directly in the ETFs and may be higher than other funds that invest directly in stocks and bonds. Each of the ETFs is subject to its own specific risks.

As of October 31, 2023, 49.06%, 27.89% and 54.45% of the net assets of the Day Hagan/Ned Davis Research Smart Sector ETF, the Day Hagan/Ned Davis Research Smart Sector Fixed Income ETF, and the Day Hagan/Ned Davis Smart Sector International ETF, respectively, were invested in the SPDR Bloomberg 1-3 Month T-Bill ETF. The financial statements of the SPDR Bloomberg 1-3 Month T-Bill ETF, including its portfolio of investments, can be found at the SEC's website [www.sec.gov](http://www.sec.gov) and should be read in conjunction with the financial statements of the Funds in this report.

#### (8) Subsequent Events

Management of the Funds has evaluated the need for disclosures and/or adjustments resulting from subsequent events through the date these financial statements were issued. Based upon this evaluation, no additional disclosures or adjustments were required to the financial statements as of October 31, 2023.

## Additional Information

### Statement Regarding Liquidity Risk Management Program

Strategy Shares (the “Trust”), on behalf of its series (collectively, the “Funds” and individually, a “Fund”), has adopted a written liquidity risk management program (the “Program”) pursuant to Rule 22e-4 (the “Rule”) under the Investment Company Act of 1940, as amended. As required by the Rule, the Program has been approved by the Board of Trustees of the Trust (the “Board”). The Board also approved the designation of a committee composed of appointed Trust officers, to serve as the administrator (“LPA”) for each Fund’s Program.

Pursuant to the Rule, the LPA provided a written report to the Board (the “Report”) covering the period from July 1, 2022, to June 30, 2023 (the “Review Period”) addressing the operation of the Program and assessing its adequacy and effectiveness of implementation, including, if applicable, the operation of a Fund’s highly liquid investment minimum (“HLIM”) and any material changes to the Program. The LPA also conducted the annual assessment of each Fund’s liquidity risk (defined as the risk that the Fund could not meet requests for redemption without significant dilution of remaining investors’ interests in the Fund), taking into account applicable factors and considerations specified in the Program.

During the Review Period, the LPA oversaw implementation of the Program and monitoring of each Fund’s liquidity risk on an ongoing basis as set forth in the Program. In accordance with the Rule, the Program includes policies and procedures that provide for: (1) assessment, management, and review (no less frequently than annually) of each Fund’s liquidity risk; (2) as applicable, classification of each Fund’s portfolio holdings into one of four liquidity categories based on the number of days; (3) as applicable, establishing and maintaining compliance with a Fund’s HLIM; and (4) prohibiting a Fund’s acquisition of illiquid investments that would result in the Fund holding more than 15% of its net assets in illiquid investments. In addition, for Funds that reserve the right to effect redemptions in-kind, the Rule requires the Fund to establish redemption in-kind policies and procedures governing how and when it will engage in such redemptions.

#### **Key Conclusions of the Report**

The Report stated that the Program operated effectively during the Review Period to achieve the goal of assessing and managing each Fund’s liquidity risk during the Review Period, and is reasonably designed to manage each Fund’s liquidity risk. Additionally, the Report stated that there were no material changes to the Program recommended pursuant to the LPA’s review.

There were no material liquidity events that impacted the Funds identified in the Report and none of the Funds were required to comply with the HLIM provisions of the Rule during the Review Period.

The Report noted that each Fund complied with the 15% limitation on illiquid investments during the Review Period and further stated that there were no redemptions in-kind effected by any of the Funds pursuant to the Program during the Review Period.



## VOTING PROXIES ON FUND PORTFOLIO SECURITIES

A copy of the policies and procedures that the Funds use to determine how to vote proxies relating to securities held in the Funds' portfolios, as well as a record of how the Funds voted any such proxies during the most recent 12-month period ended June 30, is available without charge and upon request by calling 1-800-594-7930 or at [www.dhfunds.com](http://www.dhfunds.com). This information is also available from the EDGAR database on the SEC's website at [www.sec.gov](http://www.sec.gov).

## QUARTERLY PORTFOLIO SCHEDULE

The Funds file with the SEC a complete schedule of their portfolio holdings, as of the close of the first and third quarters of their fiscal year, on Form N-PORT. These filings are available on the SEC's website at [www.sec.gov](http://www.sec.gov). You may also access this information at [www.dhfunds.com](http://www.dhfunds.com) by selecting "Form N-PORT."

Donald L. Hagan, LLC, doing business as Day Hagan Asset Management, is the investment advisor of the Funds. Day Hagan Asset Management maintains corporate records of the Funds. Foreside Fund Services, LLC is the principal underwriter and distributor of the Funds' shares.

**Exchange-traded funds are not bank deposits or obligations, are not guaranteed by any bank, and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other government agency. Investment in exchange-traded funds involves investment risk, including the possible loss of principal.**

This report is authorized for distribution to prospective investors only when preceded or accompanied by a prospectus which contains facts concerning the Funds' objectives and policies, management fees, expenses and other information.

Day Hagan/Ned Davis Research  
Smart Sector ETF (SSUS)  
Cusip 86280R803

Day Hagan/Ned Davis Research  
Smart Sector Fixed Income ETF (SSFI)  
Cusip 86280R860

Day Hagan/Ned Davis Research  
Smart Sector International ETF (SSXU)  
Cusip 86280R829

1-800-594-7930