



## **Annual Report**

**December 31, 2020**

**Defiance Quantum ETF**

**Ticker: QTUM**

**Defiance Next Gen Connectivity ETF**

**Ticker: FIVG**

**Defiance Nasdaq Junior Biotechnology ETF**

**Ticker: IBBJ**

**Defiance Next Gen SPAC Derived ETF**

**Ticker: SPAK**

# Defiance ETFs

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## Defiance Quantum ETF

### LETTERS TO SHAREHOLDERS

(Unaudited)

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Dear Shareholders,

On behalf of the entire team, we want to express our appreciation for the confidence you have placed in the Defiance Quantum ETF (“QTUM” or the “Fund”). The following information pertains to the fiscal period of January 1, 2020 through December 31, 2020 (the “current fiscal period”).

The Fund seeks to track the total return performance, before fees and expenses, of the BlueStar Quantum Computing and Machine Learning Index® (the “Index”). The Index is a rules-based index that tracks the performance of a group of globally-listed stocks of companies involved in a range of industries, collectively defined, by BlueStar Indexes, as quantum computing and machine learning companies. Index components are reviewed semi-annually for eligibility, and the weights are re-set accordingly.

The Fund had positive performance during the current fiscal period. The market price for QTUM increased 42.12% and the NAV increased 42.01%, while the S&P 500®, a broad market index, increased 18.40% over the same period. The Fund’s Index increased 42.83%. Meanwhile, outstanding shares ended the period at 1,350,000.

For the current fiscal period, the largest positive contributor to return was Cerence, Inc., adding 3.79% to the return of the Fund, gaining 344.01% with an average weighting of 1.73%. The second largest contributor to return was Microstrategy, Inc., adding 2.00% to the return of the Fund, gaining 172.42% with an average weighting of 1.27%. The third largest contributor to return was NVIDIA Corporation, adding 1.62% to the return of the Fund, gaining 122.3% with an average weighting of 1.59%.

For the current fiscal period, the largest negative contributor to return was Raytheon Technologies Company, detracting 0.74% from the return of the Fund, declining 46.55% with an average weighting of 0.28%. The security contributing second-most negatively Western Digital Corporation, detracting 0.63% from the return of the Fund, and declining 32.37% with an average weighting of 1.02 %. The third largest negative contributor to return was FLIR Systems, Inc., detracting 0.40% from the return of the Fund, and declining 29.16% with an average weight of 0.86%.

We look forward to keeping you well informed as things progress.

Sincerely,

Matthew Bielski, Chief Executive Officer  
Defiance ETFs LLC, Adviser to the Fund

## Defiance Next Gen Connectivity ETF

### LETTERS TO SHAREHOLDERS

(Unaudited) (Continued)

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Dear Shareholders,

On behalf of the entire team, we want to express our appreciation for the confidence you have placed in the Defiance Next Gen Connectivity ETF (“FIVG” or the “Fund”). The following information pertains to the fiscal period of January 1, 2020 through December 31, 2020 (the “current fiscal period”).

The Fund seeks to track the total return performance, before fees and expenses, of the BlueStar 5G Communications Index™ (the “Index”). The Index is a rules-based index that tracks the performance of a group of US-listed stocks, of global companies that are involved in the development of, or are otherwise instrumental in the rollout of 5G networks. Index components are reviewed semi-annually for eligibility, and the weights are re-set accordingly.

The Fund had positive performance during the current fiscal period. The market price for FIVG increased 29.74% and the NAV increased 29.77%, while the S&P 500®, a broad market index, increased 18.40% over the same period. The Fund’s Index increased 30.23%. Meanwhile, outstanding shares ended the period at 26,500,000.

For the current fiscal period, the largest positive contributor to return was QUALCOMM, Inc., adding 3.91% to the return of the Fund, gaining 77.00% with an average weighting of 5.58%. The second largest contributor to return was Marvell Technology Group, Ltd., adding 2.03% to the return of the Fund, gaining 80.23% with an average weighting of 2.70%. The third largest contributor to return was Xilinx, Inc., adding 1.94% to the return of the Fund, gaining 47.24% with an average weighting of 3.91%.

For the current fiscal period, the largest negative contributor to return was AT&T, Inc., detracting 0.90% from the return of the Fund, declining 21.38% with an average weighting of 2.59%. The security contributing second-most negatively Intelsat SA, detracting 0.86% from the return of the Fund, and declining 97.46% with an average weighting of 0.13%. The third largest negative contributor to return was China Mobile, Ltd., detracting 0.46% from the return of the Fund, and declining 26.99% with an average weight of 1.37%.

We look forward to keeping you well informed as things progress.

Sincerely,

Matthew Bielski, Chief Executive Officer  
Defiance ETFs LLC, Adviser to the Fund

## Defiance Nasdaq Junior Biotechnology ETF

### LETTERS TO SHAREHOLDERS

(Unaudited) (Continued)

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Dear Shareholders,

On behalf of the entire team, we want to express our appreciation for the confidence you have placed in the Defiance Nasdaq Junior Biotechnology ETF (“IBBJ” or the “Fund”). The following information pertains to the period from inception on August 3, 2020 through December 31, 2020 (the “current fiscal period”).

The Fund seeks to track the total return performance, before fees and expenses, of the Nasdaq Junior Biotechnology Index (the “Index”). The Index is a modified market capitalization weighted index that tracks the performance of small-cap “junior” companies listed on the Nasdaq Stock Market® (“Nasdaq”), which are under \$5 billion of market capitalization. They must be classified as either biotechnology or pharmaceutical according to the Industry Classification Benchmark (“ICB”). Index components are reviewed quarterly for eligibility, and the weights are re-set accordingly.

The Fund had positive performance during the current fiscal period. The market price for IBBJ increased 38.96% and the NAV increased 38.90%, while the Nasdaq Biotechnology Index increased 9.22% over the same period. The Fund’s Index increased 39.78%. Meanwhile, outstanding shares ended the period at 250,000.

For the current fiscal period, the largest positive contributor to return was Immunomedics, Inc., adding 3.98% to the return of the Fund, gaining 97.75% with an average weighting of 2.48%. The second largest contributor to return was Denali Therapeutics, Inc., adding 2.66% to the return of the Fund, gaining 272.96% with an average weighting 1.49%. The third largest contributor to return was Myokardia, Inc., adding 2.62% to the return of the Fund, gaining 133.25% with an average weighting of 1.81%.

For the current fiscal period, the largest negative contributor to return was Inovio Pharmaceuticals, Inc., detracting 0.87% from the return of the Fund, declining 63.87% with an average weighting of 0.52%. The security contributing second-most negatively GW Pharmaceuticals plc, detracting 0.73% from the return of the Fund, and declining 43.46% with an average weighting of 0.80%. The third largest negative contributor to return was Global Blood Therapeutics, Inc., detracting 0.65% from the return of the Fund, and declining 38.55% with an average weight of 1.05%.

We look forward to keeping you well informed as things progress.

Sincerely,

Matthew Bielski, Chief Executive Officer  
Defiance ETFs LLC, Adviser to the Fund

## Defiance Next Gen SPAC Derived ETF

### LETTERS TO SHAREHOLDERS

(Unaudited) (Continued)

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Dear Shareholders,

On behalf of the entire team, we want to express our appreciation for the confidence you have placed in the Defiance Next Gen SPAC Derived ETF (“SPAK” or the “Fund”). The following information pertains to the period from inception on September 30, 2020 through December 31, 2020 (the “current fiscal period”).

The Fund seeks to track the total return performance, before fees and expenses, of the Indxx SPAC & NextGen IPO Index (the “Index”). The Index is a passive rules-based index that tracks the performance of the common stock of newly listed Special Purpose Acquisition Companies (“SPACs”), ex-warrants, and initial public offerings (“IPOs”) derived from acquisition companies.

The Fund had positive performance during the current fiscal period. The market price for SPAK increased 13.43% and the NAV increased 13.29%, while the S&P 500® Index, a broad market index, increased 12.15% over the same period. The Fund’s Index increased 13.64%. Meanwhile, outstanding shares ended the period at 1,775,000.

For the current fiscal period, the largest positive contributor to return was Virgin Galactic Holdings, Inc., adding 1.39% to the return of the Fund, gaining 23.40% with an average weighting of 5.24%. The second largest contributor to return was Open Lending Corporation - Class A, adding 1.34% to the return of the Fund, gaining 37.10% with an average weighting 4.53%. The third largest contributor to return was Velodyne Lidar, Inc., adding 1.34% to the return of the Fund, gaining 22.10% with an average weighting of 1.94%.

For the current fiscal period, the largest negative contributor to return was DraftKings, Inc. - Class A, detracting 4.69% from the return of the Fund, declining 20.87% with an average weighting of 14.05%. The security contributing second-most negatively Clarivate plc., detracting 0.79% from the return of the Fund, and declining 4.13% with an average weighting of 10.90%. The third largest negative contributor to return was Multiplan Corporation, detracting 0.67% from the return of the Fund, and declining 22.05% with an average weight of 1.85%.

We look forward to keeping you well informed as things progress.

Sincerely,

Matthew Bielski, Chief Executive Officer  
Defiance ETFs LLC, Adviser to the Fund

## Defiance ETFs

### LETTERS TO SHAREHOLDERS

(Unaudited) (Continued)

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*Must be preceded or accompanied by a current Fund prospectus.*

**Investing involves risk. Principal loss is possible. As ETFs, the Funds may trade at a premium or discount to NAV. Shares of any ETF are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. The Funds are not actively managed and would not sell a security due to current or projected under performance unless that security is removed from the Index or is required upon a reconstitution of the Index. A portfolio concentrated in a single industry or country, may be subject to a higher degree of risk. The value of stocks of information technology companies are particularly vulnerable to rapid changes in technology product cycles, rapid product obsolescence, government regulation and competition. The Funds are considered to be non-diversified, so they may invest more of their assets in the securities of a single issuer or a smaller number of issuers. Investments in foreign securities involve certain risks including risk of loss due to foreign currency fluctuations or to political or economic instability. This risk is magnified in emerging markets. Small and mid-cap companies are subject to greater and more unpredictable price changes than securities of large-cap companies.**

The possible applications of quantum computing and 5G technologies are only in the exploration stages, and the possible returns are uncertain and may not be realized in the near future.

Market price is the price at which shares in the ETF can be bought or sold on the exchanges during trading hours, while the net asset value (NAV) represents the value of each share's portion of the Funds' underlying assets and cash at the end of the trading day.

The S&P 500<sup>®</sup> Index is a broad-based index of 500 stocks, which is widely recognized as representative of the equity market in general.

It is not possible to invest directly in the Index.

Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice.

Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security. Current and future portfolio holdings are subject to risk.

**Past performance is no guarantee of future results.**

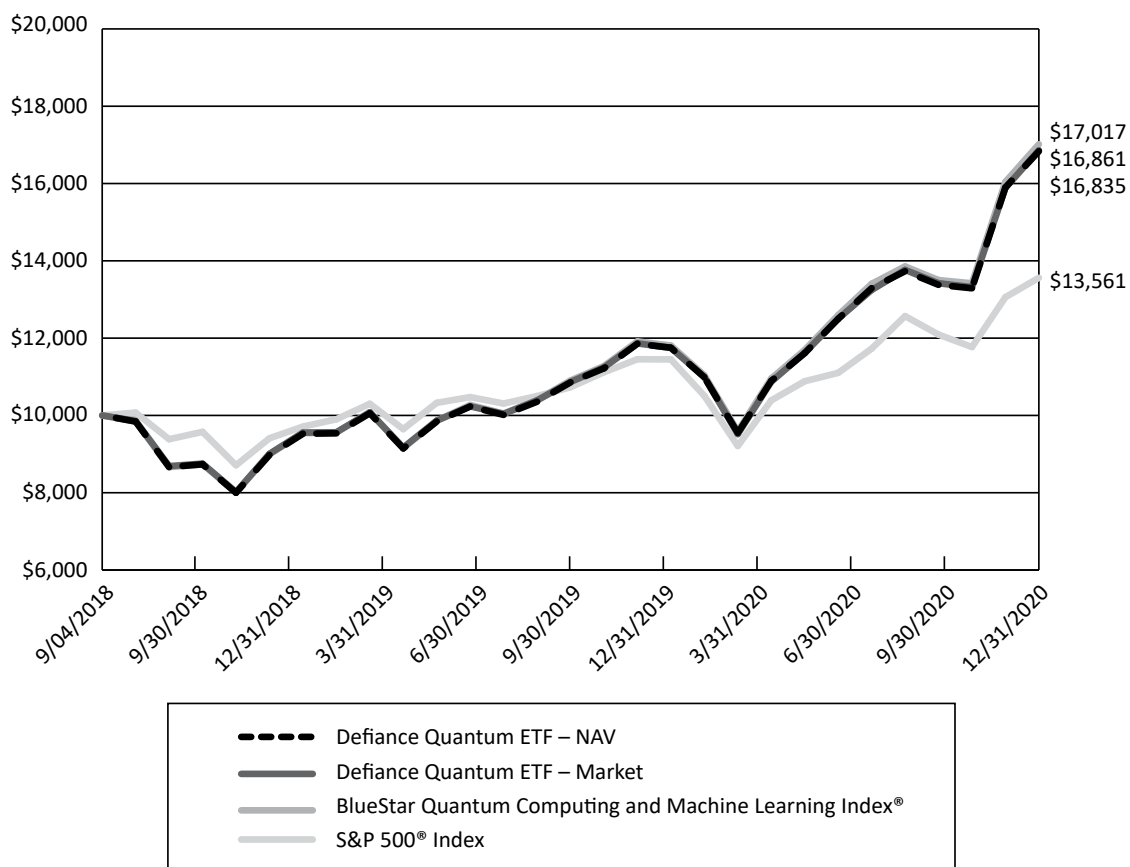
The Defiance ETFs are distributed by Foreside Distributors, LLC.

## Defiance Quantum ETF

### PERFORMANCE SUMMARY

(Unaudited)

**Growth of \$10,000**



#### Average Annualized Returns

**December 31, 2020**

	<u>One Year</u>	<u>Since Inception (9/4/2018)</u>
Defiance Quantum ETF - NAV	42.01%	25.13%
Defiance Quantum ETF - Market	42.12%	25.21%
BlueStar Quantum Computing and Machine Learning Index®	42.83%	25.71%
S&P 500® Index	18.40%	14.01%

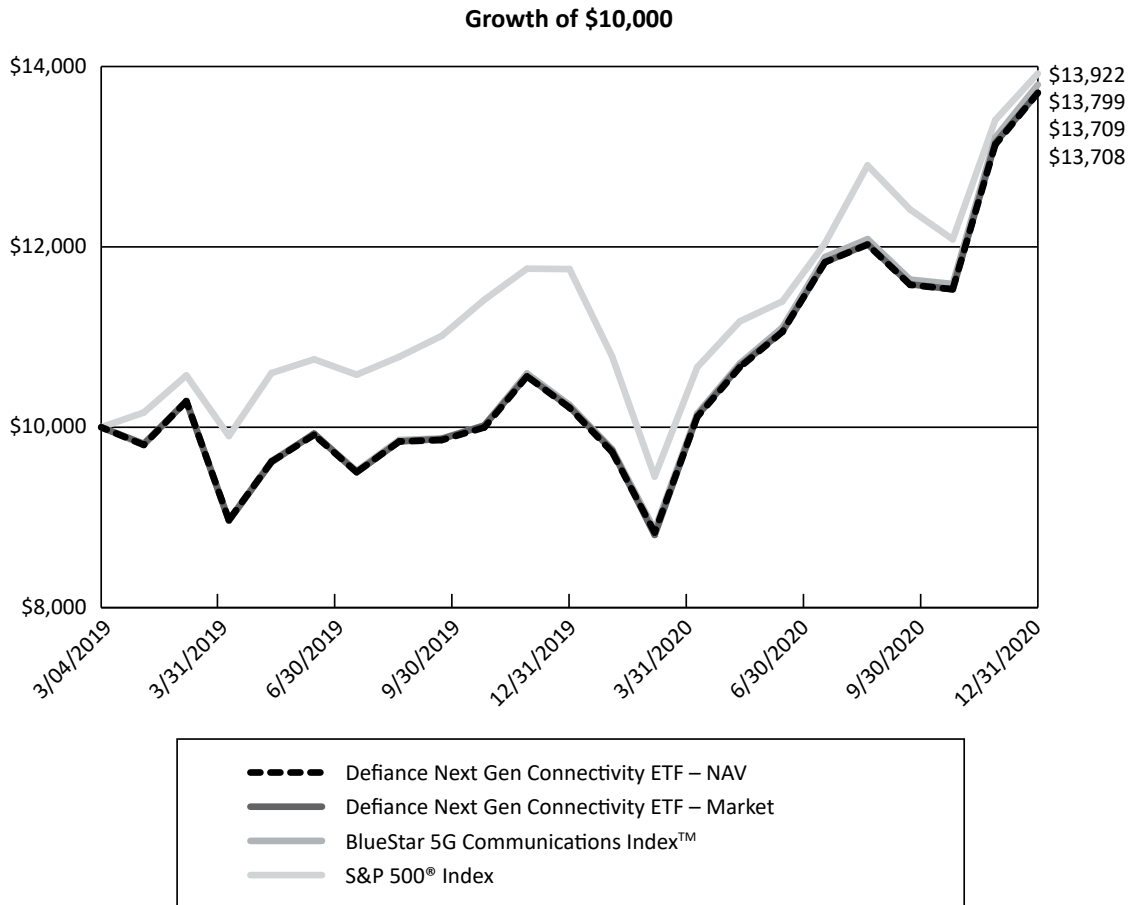
This chart illustrates the performance of a hypothetical \$10,000 investment made on September 4, 2018, and is not intended to imply any future performance. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The chart assumes reinvestment of capital gains and dividends.



## Defiance Next Gen Connectivity ETF

### PERFORMANCE SUMMARY

(Unaudited)



#### Average Annualized Returns

**December 31, 2020**

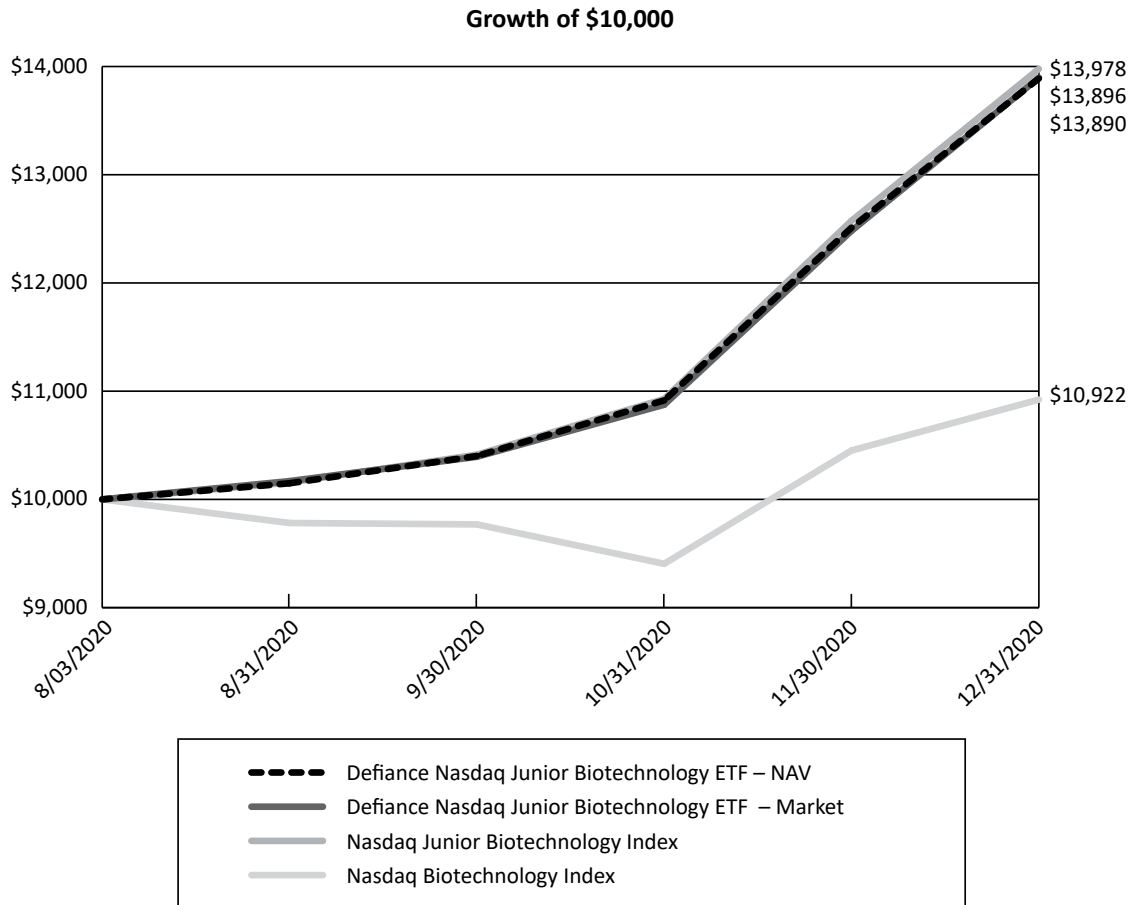
	<u>One Year</u>	<u>Since Inception (3/4/2019)</u>
Defiance Next Gen Connectivity ETF - NAV	29.77%	18.84%
Defiance Next Gen Connectivity ETF - Market	29.74%	18.84%
BlueStar 5G Communications Index™	30.23%	19.27%
S&P 500® Index	18.40%	19.85%

This chart illustrates the performance of a hypothetical \$10,000 investment made on March 4, 2019, and is not intended to imply any future performance. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The chart assumes reinvestment of capital gains and dividends.

## Defiance Nasdaq Junior Biotechnology ETF

### PERFORMANCE SUMMARY

(Unaudited)



**Cumulative Returns  
December 31, 2020**

**Since Inception  
(8/3/2020)**

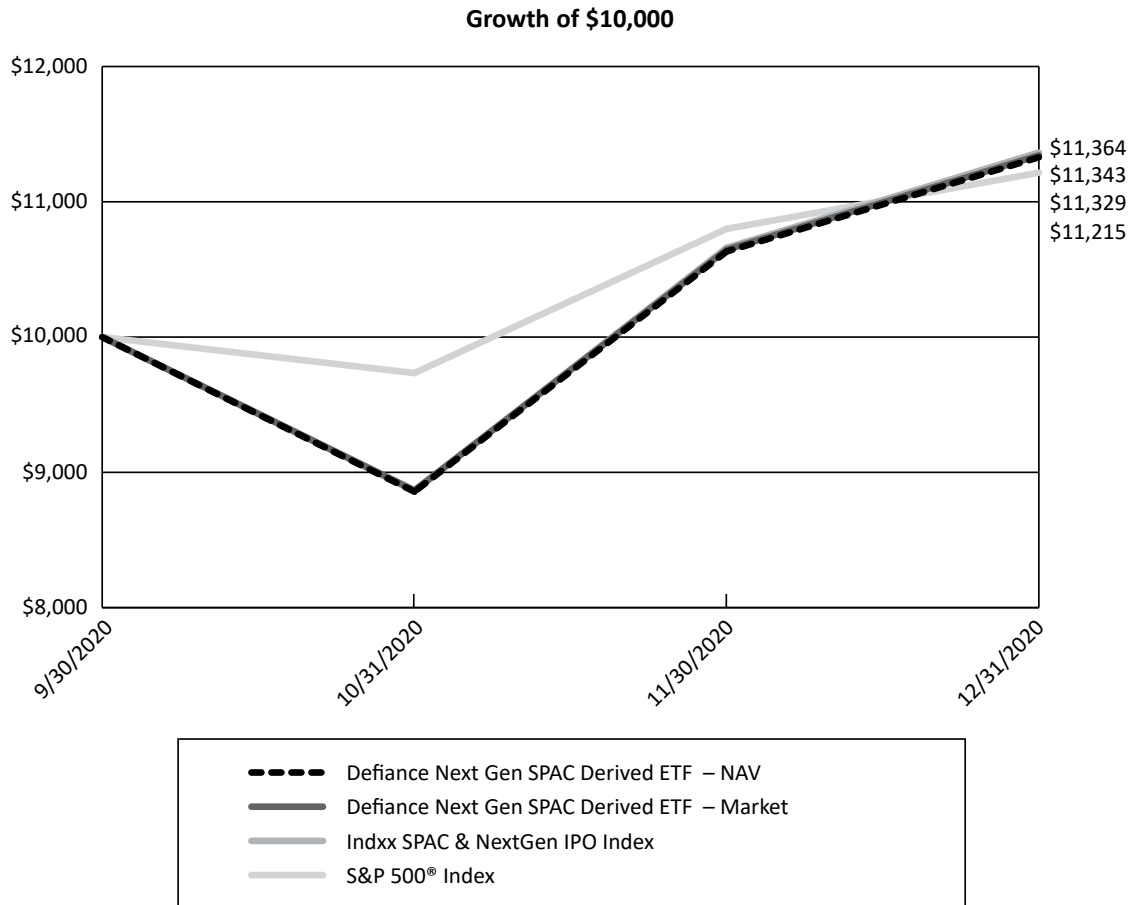
Defiance Nasdaq Junior Biotechnology ETF - NAV	38.90%
Defiance Nasdaq Junior Biotechnology ETF - Market	38.96%
Nasdaq Junior Biotechnology Index	39.78%
Nasdaq Biotechnology Index	9.22%

This chart illustrates the performance of a hypothetical \$10,000 investment made on August 3, 2020, and is not intended to imply any future performance. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The chart assumes reinvestment of capital gains and dividends.

## Defiance Next Gen SPAC Derived ETF

### PERFORMANCE SUMMARY

(Unaudited)



#### Cumulative Returns

**December 31, 2020**

Defiance Next Gen SPAC Derived ETF - NAV  
 Defiance Next Gen SPAC Derived ETF - Market  
 Indxx SPAC & NextGen IPO Index  
 S&P 500® Index

**Since Inception  
(9/30/2020)**

13.29%  
 13.43%  
 13.64%  
 12.15%

This chart illustrates the performance of a hypothetical \$10,000 investment made on September 30, 2020, and is not intended to imply any future performance. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The chart assumes reinvestment of capital gains and dividends.

## Defiance ETFs

### PORTFOLIO ALLOCATIONS

As of December 31, 2020 (Unaudited)

#### Defiance Quantum ETF

Country	Percentage of Net Assets
United States .....	60.1%
Japan .....	9.6
Taiwan .....	8.4
Netherlands .....	6.8
France .....	2.6
Republic of Korea .....	1.5
India .....	1.4
Ireland .....	1.4
United Kingdom .....	1.4
Israel .....	1.4
Finland .....	1.3
Switzerland .....	1.2
Canada .....	1.2
China .....	1.2
Short-Term Investments and Other Assets and Liabilities .....	0.5
Total .....	<u>100.0%</u>

#### Defiance Next Gen Connectivity ETF

Sector	Percentage of Net Assets
Information Technology (a) .....	74.0%
Communication Services .....	14.3
Real Estate .....	9.7
Consumer Discretionary .....	1.0
Industrials .....	0.7
Short-Term Investments and Other Assets and Liabilities .....	0.3
Total .....	<u>100.0%</u>

(a) To the extent that the Fund invests more heavily in particular sectors of the economy, its performance will be especially sensitive to developments that significantly affect those sectors. See Note 8 in Notes to Financial Statements.

## Defiance ETFs

### PORTFOLIO ALLOCATIONS

As of December 31, 2020 (Unaudited) (Continued)

#### Defiance Nasdaq Junior Biotechnology ETF

Country	Percentage of Net Assets
United States .....	88.6%
China .....	3.4
Ireland .....	2.1
United Kingdom .....	1.3
Canada .....	1.2
Spain .....	0.6
Israel .....	0.6
Denmark .....	0.5
Hong Kong .....	0.4
Netherlands .....	0.4
Short-Term Investments and Other Assets and Liabilities .....	0.3
Belgium .....	0.2
Germany .....	0.1
France .....	0.1
Singapore .....	0.1
Switzerland .....	0.1
Total .....	<u>100.0%</u>

#### Defiance Next Gen SPAC Derived ETF

Sector	Percentage of Net Assets
Special Purpose Acquisition Companies .....	24.0%
Industrials .....	23.7
Consumer Discretionary .....	23.4
Information Technology .....	7.4
Health Care .....	6.8
Financials .....	5.8
Materials .....	3.3
Consumer Staples .....	2.6
Communication Services .....	1.7
Real Estate .....	0.9
Short-Term Investments and Other Assets and Liabilities .....	0.4
Total .....	<u>100.0%</u>

## Defiance Quantum ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020

Shares	Security Description	Value	Shares	Security Description	Value
<b>COMMON STOCKS — 99.5%</b>			<b>COMMON STOCKS — 99.5% (Continued)</b>		
<b>Communication Services — 5.3%</b>			<b>Information Technology — 82.5% (b) (Continued)</b>		
409	Alphabet, Inc. - Class A (a) .....	\$ 716,830	760,542	IQE plc (a) .....	\$ 763,599
244,392	Koninklijke KPN NV .....	743,681	2,901	KLA Corporation (c) .....	751,098
30,500	Nippon Telegraph & Telephone Corporation .....	781,517	8,966	Koh Young Technology, Inc. ....	866,639
58,735	Orange SA .....	699,539	1,544	Lam Research Corporation .....	729,185
		<u>2,941,567</u>	17,920	Lattice Semiconductor Corporation (a)(c) .....	821,094
<b>Consumer Discretionary — 1.2%</b>			16,413	Marvell Technology Group, Ltd. (c) ....	780,274
2,806	Alibaba Group Holding, Ltd. - ADR (a) .....	653,040	8,878	Maxim Integrated Products, Inc. ....	787,035
<b>Industrials — 9.2%</b>			30,000	MediaTek, Inc. ....	797,566
6,472	Airbus SE .....	710,955	5,395	Microchip Technology, Inc. ....	745,103
3,571	Honeywell International, Inc. ....	759,552	10,700	Micron Technology, Inc. (a) .....	804,426
2,057	Lockheed Martin Corporation .....	730,194	3,483	Microsoft Corporation .....	774,689
49,300	Mitsubishi Electric Corporation .....	743,475	2,253	MicroStrategy, Inc. - Class A (a)(c) .....	875,403
2,456	Northrop Grumman Corporation .....	748,392	5,215	MKS Instruments, Inc. ....	784,597
10,183	Raytheon Technologies Corporation ..	728,186	19,260	National Instruments Corporation ....	846,284
25,700	Toshiba Corporation .....	718,141	13,800	NEC Corporation .....	740,491
		<u>5,138,895</u>	185,990	Nokia Corporation - ADR (c) .....	727,221
<b>Information Technology — 82.5% (b)</b>			1,396	NVIDIA Corporation .....	728,991
2,985	Accenture plc - Class A .....	779,712	4,711	NXP Semiconductors NV .....	749,096
8,099	Advanced Micro Devices, Inc. (a)(c) ...	742,759	25,710	ON Semiconductor Corporation (a) ....	841,488
33,000	Alchip Technologies, Ltd. ....	729,340	16,696	Onto Innovation, Inc. (a) .....	793,895
6,401	Alteryx, Inc. - Class A (a) .....	779,578	4,984	QUALCOMM, Inc. ....	759,263
8,442	Ambarella, Inc. (a) .....	775,144	78,900	Renesas Electronics Corporation (a) ..	824,574
5,338	Analog Devices, Inc. (c) .....	788,583	4,728	Splunk, Inc. (a) .....	803,240
8,676	Applied Materials, Inc. ....	748,739	18,423	STMicroelectronics NV - NY (c) .....	683,862
1,646	ASML Holding NV .....	800,655	9,540	Synaptics, Inc. (a)(c) .....	919,656
1,649	ASML Holding NV - NY (c) .....	804,250	3,185	Synopsys, Inc. (a) .....	825,679
85,000	Asustek Computer, Inc. ....	757,794	7,602	Taiwan Semiconductor Manufacturing Company, Ltd. - ADR (c) .....	828,922
8,281	Atos SE .....	757,691	19,670	Talend SA - ADR (a)(c) .....	754,148
96,695	BlackBerry, Ltd. (a) .....	640,585	34,740	Teradata Corporation (a)(c) .....	780,608
3,601	BlackBerry, Ltd. (a) .....	23,875	6,570	Teradyne, Inc. (c) .....	787,677
10,380	Brooks Automation, Inc. ....	704,283	4,598	Texas Instruments, Inc. ....	754,670
6,407	Cadence Design Systems, Inc. (a) .....	874,107	29,147	Tower Semiconductor, Ltd. (a) .....	752,576
8,684	Cerence, Inc. (a)(c) .....	872,568	21,861	Ultra Clean Holdings, Inc. (a) .....	680,970
19,056	CEVA, Inc. (a) .....	867,048	427,000	Via Technologies, Inc. (a) .....	811,510
9,372	Cirrus Logic, Inc. (a) .....	770,378	141,971	Wipro, Ltd. - ADR (c) .....	802,136
64,561	Cloudera, Inc. (a)(c) .....	898,044	5,171	Xilinx, Inc. ....	733,093
5,500	Fujitsu, Ltd. ....	794,009			<u>46,168,998</u>
66,000	Global Unichip Corporation .....	796,284	<b>Materials — 1.3%</b>		
64,338	Hewlett Packard Enterprise Company .....	762,405	26,800	JSR Corporation .....	746,024
14,642	Intel Corporation .....	729,464	<b>TOTAL COMMON STOCKS</b>		
6,045	International Business Machines Corporation .....	760,945	<b>(Cost \$44,369,701) .....</b>		
			<u>55,648,524</u>		

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

## Defiance Quantum ETF

### SCHEDULE OF INVESTMENTS December 31, 2020 (Continued)

Shares	Security Description	Value
<b>SHORT-TERM INVESTMENTS — 0.4%</b>		
205,563	First American Government Obligations Fund - Class X, 0.04% (d) .....	\$ 205,563
	<b>TOTAL SHORT-TERM INVESTMENTS</b> (Cost \$205,563) .....	<u>205,563</u>
<b>Units</b>		
<b>INVESTMENTS PURCHASED WITH PROCEEDS FROM SECURITIES LENDING — 19.5%</b>		
10,941,311	Mount Vernon Liquid Assets Portfolio, LLC, 0.16% (d)(e) .....	<u>10,941,311</u>
	<b>TOTAL INVESTMENTS PURCHASED WITH PROCEEDS FROM SECURITIES LENDING</b> (Cost \$10,941,311) .....	<u>10,941,311</u>
	<b>TOTAL INVESTMENTS — 119.4%</b> (Cost \$55,516,575) .....	66,795,398
	Liabilities in Excess of Other Assets — (19.4)% .....	<u>(10,854,724)</u>
	<b>NET ASSETS — 100.0%</b> .....	<u>\$ 55,940,674</u>

Percentages are stated as a percent of net assets.

ADR American Depositary Receipt.

NY New York Registry Shares.

(a) Non-income producing security.

(b) To the extent that the Fund invests more heavily in particular sectors of the economy, its performance will be especially sensitive to developments that significantly affect those sectors. See Note 8 in Notes to Financial Statements.

(c) All or part of this security is on loan as of December 31, 2020. The total value of securities on loan is \$10,682,019.

(d) Rate shown is the annualized seven-day yield as of December 31, 2020.

(e) Privately offered liquidity fund. See Note 2 in Notes to Financial Statements.

The Global Industry Classification Standard (GICS®) was developed by and/or is the exclusive property of MSCI, Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P"). GICS® is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.

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

## Defiance Next Gen Connectivity ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020

Shares	Security Description	Value	Shares	Security Description	Value
<b>COMMON STOCKS — 99.7%</b>			<b>COMMON STOCKS — 99.7% (Continued)</b>		
<b>Communication Services — 14.3%</b>			<b>Information Technology — 74.0% (c) (Continued)</b>		
887,944	AT&T, Inc. ....	\$ 25,537,269	67,129	II-VI, Inc. (a)(b) .....	\$ 5,099,119
460,989	CenturyLink, Inc. (a) .....	4,494,643	547,752	Infinera Corporation (a)(b) .....	5,740,441
31,244	Charter Communications, Inc. - Class A (b) .....	20,669,468	409,983	Inseeego Corporation (a)(b) .....	6,342,437
407,443	KT Corporation - ADR (a) .....	4,485,947	169,671	Intel Corporation .....	8,453,009
605,661	Orange SA - ADR (a) .....	7,183,140	77,021	InterDigital, Inc. ....	4,673,634
207,486	SK Telecom Company, Ltd. - ADR .....	5,079,257	23,500	IPG Photonics Corporation (b) .....	5,259,065
174,999	T-Mobile US, Inc. (b) .....	23,598,615	245,948	Juniper Networks, Inc. ....	5,536,290
420,385	Verizon Communications, Inc. ....	24,697,619	211,632	Keysight Technologies, Inc. (b) .....	27,954,471
725,674	Vodafone Group plc - ADR (a) .....	11,959,107	121,278	Lattice Semiconductor Corporation (b) .....	5,556,958
		<u>127,705,065</u>	1,050,677	Limelight Networks, Inc. (a)(b) .....	4,192,201
			52,794	Lumentum Holdings, Inc. (b) .....	5,004,871
	<b>Consumer Discretionary — 1.0%</b>		108,664	MACOM Technology Solutions Holdings, Inc. (a)(b) .....	5,980,867
2,714	Amazon.com, Inc. (b) .....	8,839,308	409,628	Marvell Technology Group, Ltd. (a) ....	19,473,715
			230,073	Maxim Integrated Products, Inc. ....	20,395,971
	<b>Industrials — 0.7%</b>		128,547	National Instruments Corporation (a)	5,648,355
162,960	Maxar Technologies, Inc. (a) .....	6,288,627	525,183	NeoPhotonics Corporation (a)(b) .....	4,773,914
			184,190	NetScout Systems, Inc. (b) .....	5,050,490
	<b>Information Technology — 74.0% (c)</b>		6,688,181	Nokia Corporation - ADR (a) .....	26,150,788
553,954	A10 Networks, Inc. (b) .....	5,461,986	16,145	NVIDIA Corporation .....	8,430,919
64,133	Acacia Communications, Inc. (b) .....	4,679,144	272,420	NXP Semiconductors NV .....	43,317,504
314,397	ADTRAN, Inc. ....	4,643,644	103,860	Qorvo, Inc. (b) .....	17,268,802
93,722	Advanced Micro Devices, Inc. (b) .....	8,595,245	288,557	QUALCOMM, Inc. ....	43,958,773
249,347	Akamai Technologies, Inc. (a)(b) .....	26,178,942	175,661	Radware, Ltd. (b) .....	4,874,593
230,106	Amdocs, Ltd. ....	16,321,419	650,218	Ribbon Communications, Inc. (b) .....	4,265,430
309,536	Analog Devices, Inc. (a) .....	45,727,753	287,135	Sierra Wireless, Inc. (a)(b) .....	4,195,042
70,372	Apple, Inc. ....	9,337,661	165,740	Skyworks Solutions, Inc. ....	25,338,331
26,423	Arista Networks, Inc. (a)(b) .....	7,677,731	3,525,482	Telefonaktiebolaget LM Ericsson - ADR .....	42,129,510
21,639	Broadcom, Inc. ....	9,474,636	20,122	Ubiquiti, Inc. (a) .....	5,604,178
195,087	Calix, Inc. (b) .....	5,805,789	353,176	Viavi Solutions, Inc. (b) .....	5,288,811
113,966	CEVA, Inc. (b) .....	5,185,453	45,608	VMware, Inc. - Class A (a)(b) .....	6,396,978
260,520	Ciena Corporation (b) .....	13,768,482	241,559	Xilinx, Inc. ....	<u>34,245,819</u>
196,135	Cisco Systems, Inc. ....	8,777,041			<u>658,832,812</u>
181,179	Clearfield, Inc. (b) .....	4,478,745		<b>Real Estate — 9.7%</b>	
375,838	CommScope Holding Company, Inc. (b) .....	5,036,229	108,923	American Tower Corporation .....	24,448,857
239,407	Comtech Telecommunications Corporation .....	4,953,331	37,980	CoreSite Realty Corporation .....	4,758,134
180,314	Corning, Inc. ....	6,491,304	91,215	Crown Castle International Corporation .....	14,520,516
103,958	CSG Systems International, Inc. ....	4,685,387	68,949	CyrusOne, Inc. ....	5,043,619
145,049	CTS Corporation .....	4,979,532	46,371	Digital Realty Trust, Inc. ....	6,469,218
97,880	Dell Technologies, Inc. - Class C (b) ....	7,173,625	19,936	Equinix, Inc. ....	14,237,893
736,333	Extreme Networks, Inc. (b) .....	5,073,334	75,523	QTS Realty Trust, Inc. - Class A (a) .....	4,673,363
91,158	F5 Networks, Inc. (b) .....	16,038,339	25,543	SBA Communications Corporation .....	7,206,447
56,710	GDS Holdings, Ltd. - ADR (a)(b) .....	5,310,324			
538,097	Hewlett Packard Enterprise Company	6,376,450			

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



## Defiance Next Gen Connectivity ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020 (Continued)

Shares	Security Description	Value
<b>COMMON STOCKS — 99.7% (Continued)</b>		
<b>Real Estate — 9.7% (Continued)</b>		
420,641	Uniti Group, Inc. ....	\$ 4,934,119
		86,292,166
	TOTAL COMMON STOCKS (Cost \$753,727,592) .....	887,957,978
<b>SHORT-TERM INVESTMENTS — 0.2%</b>		
1,480,144	First American Government Obligations Fund - Class X, 0.04% (d) .....	1,480,144
	TOTAL SHORT-TERM INVESTMENTS (Cost \$1,480,144) .....	1,480,144
<b>Units</b>		
<b>INVESTMENTS PURCHASED WITH PROCEEDS FROM SECURITIES LENDING — 12.9%</b>		
115,053,198	Mount Vernon Liquid Assets Portfolio, LLC, 0.16% (d)(e) .....	115,053,198
	TOTAL INVESTMENTS PURCHASED WITH PROCEEDS FROM SECURITIES LENDING (Cost \$115,053,198) .....	115,053,198
	TOTAL INVESTMENTS — 112.8% (Cost \$870,260,934) .....	1,004,491,320
	Liabilities in Excess of Other Assets — (12.8)% .....	(114,199,692)
	NET ASSETS — 100.0% .....	\$890,291,628

Percentages are stated as a percent of net assets.

ADR American Depositary Receipt.

- (a) All or part of this security is on loan as of December 31, 2020. The total value of securities on loan is \$112,623,888.
- (b) Non-income producing security.
- (c) To the extent that the Fund invests more heavily in particular sectors of the economy, its performance will be especially sensitive to developments that significantly affect those sectors. See Note 8 in Notes to Financial Statements.
- (d) Rate shown is the annualized seven-day yield as of December 31, 2020.
- (e) Privately offered liquidity fund. See Note 2 in Notes to Financial Statements.

The Global Industry Classification Standard (GICS®) was developed by and/or is the exclusive property of MSCI, Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P"). GICS® is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.

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

## Defiance Nasdaq Junior Biotechnology ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020

Shares	Security Description	Value	Shares	Security Description	Value
<b>COMMON STOCKS — 99.7%</b>			<b>COMMON STOCKS — 99.7% (Continued)</b>		
<b>Health Care — 99.7% (a)</b>			<b>Health Care — 99.7% (a) (Continued)</b>		
1,645	AC Immune SA (b) .....	\$ 8,505	855	Axsome Therapeutics, Inc. (b) .....	\$ 69,657
3,180	Adaptimmune Therapeutics plc - ADR (b) .....	17,140	1,335	Beam Therapeutics, Inc. (b) .....	108,989
450	Adicet Bio, Inc. (b) .....	6,322	4,120	BioCryst Pharmaceuticals, Inc. (b) .....	30,694
2,235	Adverum Biotechnologies, Inc. (b) .....	24,227	2,320	BioDelivery Sciences International, Inc. (b) .....	9,744
1,100	Aeglea BioTherapeutics, Inc. (b) .....	8,657	825	Black Diamond Therapeutics, Inc. (b) .....	26,441
1,075	Aerie Pharmaceuticals, Inc. (b) .....	14,523	1,535	Bluebird Bio, Inc. (b) .....	66,419
2,110	Affimed NV (b) .....	12,280	2,825	Bridgebio Pharma, Inc. (b) .....	200,886
1,600	Agios Pharmaceuticals, Inc. (b) .....	69,328	550	Cabaletta Bio, Inc. (b) .....	6,864
3,320	Akebia Therapeutics, Inc. (b) .....	9,296	1,620	Calithera Biosciences, Inc. (b) .....	7,954
795	Akero Therapeutics, Inc. (b) .....	20,511	1,165	Cara Therapeutics, Inc. (b) .....	17,626
790	Akouos, Inc. (b) .....	15,666	460	Castle Biosciences, Inc. (b) .....	30,889
1,840	Alector, Inc. (b) .....	27,839	410	Collectis SA - ADR (b) .....	11,095
3,680	Alkermes plc (b) .....	73,416	1,590	ChemoCentryx, Inc. (b) .....	98,453
1,210	Allakos, Inc. (b) .....	169,400	1,385	Chiasma, Inc. (b) .....	6,025
3,240	Allogene Therapeutics, Inc. (b) .....	81,778	890	China Biologic Products Holdings, Inc. (b) .....	105,118
1,495	Allovir, Inc. (b) .....	57,468	965	Chinook Therapeutics, Inc. (b) .....	15,305
760	Altimune, Inc. (b) .....	8,573	2,025	Clovis Oncology, Inc. (b) .....	9,720
850	ALX Oncology Holdings, Inc. (b) .....	73,270	1,380	Codexis, Inc. (b) .....	30,125
8,890	Amarin Corporation plc - ADR (b) .....	43,472	1,655	Coherus Biosciences, Inc. (b) .....	28,764
6,025	Amicus Therapeutics, Inc. (b) .....	139,117	795	Collegium Pharmaceutical, Inc. (b) .....	15,924
1,090	Amphastar Pharmaceuticals, Inc. (b) .....	21,920	1,940	Compugen, Ltd. (b) .....	23,493
630	AnaptysBio, Inc. (b) .....	13,545	740	Concert Pharmaceuticals, Inc. (b) .....	9,354
285	ANI Pharmaceuticals, Inc. (b) .....	8,276	1,090	Constellation Pharmaceuticals, Inc. (b) .....	31,392
885	Annexon, Inc. (b) .....	22,151	675	Cortexyme, Inc. (b) .....	18,751
1,750	Apellis Pharmaceuticals, Inc. (b) .....	100,100	755	Crinetics Pharmaceuticals, Inc. (b) .....	10,653
810	Applied Molecular Transport, Inc. (b) .....	24,924	1,580	Cymabay Therapeutics, Inc. (b) .....	9,069
515	Applied Therapeutics, Inc. (b) .....	11,335	1,625	Cytokinetics, Inc. (b) .....	33,767
485	Aprea Therapeutics, Inc. (b) .....	2,386	1,060	CytomX Therapeutics, Inc. (b) .....	6,943
1,950	Arbutus Biopharma Corporation (b) .....	6,922	1,305	Deciphera Pharmaceuticals, Inc. (b) .....	74,476
560	Arcturus Therapeutics Holdings, Inc. (b) .....	24,293	1,720	Dicerna Pharmaceuticals, Inc. (b) .....	37,892
1,000	Arcutis Biotherapeutics, Inc. (b) .....	28,130	300	Eagle Pharmaceuticals, Inc./DE (b) .....	13,971
2,070	Ardelyx, Inc. (b) .....	13,393	1,430	Editas Medicine, Inc. (b) .....	100,257
1,345	Arena Pharmaceuticals, Inc. (b) .....	103,336	890	Eidos Therapeutics, Inc. (b) .....	117,106
935	Arvinas, Inc. (b) .....	79,410	745	Eiger BioPharmaceuticals, Inc. (b) .....	9,156
755	Assembly Biosciences, Inc. (b) .....	4,568	465	Enanta Pharmaceuticals, Inc. (b) .....	19,576
1,785	Atara Biotherapeutics, Inc. (b) .....	35,040	5,345	Endo International plc (b) .....	38,377
2,140	Athenex, Inc. (b) .....	23,668	2,330	Epizyme, Inc. (b) .....	25,304
690	Atreca, Inc. - Class A (b) .....	11,143	640	Esperion Therapeutics, Inc. (b) .....	16,640
2,940	Aurinia Pharmaceuticals, Inc. (b) .....	40,660	2,010	Fate Therapeutics, Inc. (b) .....	182,769
795	Autolus Therapeutics plc - ADR (b) .....	7,107	2,085	FibroGen, Inc. (b) .....	77,333
1,460	Avadel Pharmaceuticals plc - ADR (b) .....	9,753	1,065	Five Prime Therapeutics, Inc. (b) .....	18,116
870	Avidity Biosciences, Inc. (b) .....	22,202	1,155	Flexion Therapeutics, Inc. (b) .....	13,329
950	Avrobio, Inc. (b) .....	13,243			

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

## Defiance Nasdaq Junior Biotechnology ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020 (Continued)

Shares	Security Description	Value	Shares	Security Description	Value
<b>COMMON STOCKS — 99.7% (Continued)</b>			<b>COMMON STOCKS — 99.7% (Continued)</b>		
<b>Health Care — 99.7% (a) (Continued)</b>			<b>Health Care — 99.7% (a) (Continued)</b>		
945	Forma Therapeutics Holdings, Inc. (b)	\$ 32,980	740	Kiniksa Pharmaceuticals, Ltd. - ADR (b)	\$ 13,076
775	Frequency Therapeutics, Inc. (b)	27,326	1,165	Kodiak Sciences, Inc. (b)	171,150
630	Fulcrum Therapeutics, Inc. (b)	7,377	450	Krystal Biotech, Inc. (b)	27,000
955	Fusion Pharmaceuticals, Inc. (b)	11,221	1,300	Kura Oncology, Inc. (b)	42,458
875	G1 Therapeutics, Inc. (b)	15,741	355	Larimar Therapeutics, Inc. (b)	7,601
155	Galapagos NV - ADR (b)	15,342	490	Legend Biotech Corporation - ADR (b)	13,798
1,175	Gamida Cell, Ltd. (b)	9,858	370	Ligand Pharmaceuticals, Inc. (b)	36,797
1,075	Generation Bio Company (b)	30,476	1,065	Luminex Corporation	24,623
1,075	Genmab AS - ADR (b)	43,709	1,310	MacroGenics, Inc. (b)	29,947
7,370	Geron Corporation (b)	11,718	360	Madrigal Pharmaceuticals, Inc. (b)	40,021
1,425	Global Blood Therapeutics, Inc. (b)	61,717	1,110	Magenta Therapeutics, Inc. (b)	8,702
1,755	Gossamer Bio, Inc. (b)	16,971	5,335	MannKind Corporation (b)	16,699
2,740	Grifols SA - ADR	50,526	700	Marinus Pharmaceuticals, Inc. (b)	8,540
690	GW Pharmaceuticals plc - ADR (b)	79,633	1,030	MediciNova, Inc. (b)	5,418
3,130	Halozyyme Therapeutics, Inc. (b)	133,682	820	Medpace Holdings, Inc. (b)	114,144
595	Harpoon Therapeutics, Inc. (b)	9,883	1,010	MeiraGTx Holdings plc (b)	15,291
1,040	Homology Medicines, Inc. (b)	11,742	1,570	Mersana Therapeutics, Inc. (b)	41,778
1,180	Hutchison China MediTech, Ltd. - ADR (b)	37,784	1,750	Myriad Genetics, Inc. (b)	34,606
665	Ideaya Biosciences, Inc. (b)	9,310	1,010	NanoString Technologies, Inc. (b)	67,549
555	IGM Biosciences, Inc. (b)	49,001	2,490	NantKwest, Inc. (b)	33,192
360	I-Mab - ADR (b)	16,974	4,145	Nektar Therapeutics (b)	70,465
475	Immunic, Inc. (b)	7,263	985	Neoleukin Therapeutics, Inc. (b)	13,889
4,370	ImmunoGen, Inc. (b)	28,186	630	NextCure, Inc. (b)	6,867
2,265	Immunovant, Inc. (b)	104,620	1,585	NGM Biopharmaceuticals, Inc. (b)	48,018
2,375	Innoviva, Inc. (b)	29,426	750	Nkarta, Inc. (b)	46,103
3,945	Inovio Pharmaceuticals, Inc. (b)	34,913	890	Nurix Therapeutics, Inc. (b)	29,263
535	Inozyme Pharma, Inc. (b)	11,042	1,640	Ocular Therapeutix, Inc. (b)	33,948
2,335	Insmed, Inc. (b)	77,732	885	Odonate Therapeutics, Inc. (b)	16,992
1,365	Intellia Therapeutics, Inc. (b)	74,256	1,415	Omeros Corporation (b)	20,213
765	Intercept Pharmaceuticals, Inc. (b)	18,895	15,525	OPKO Health, Inc. (b)	61,324
1,840	Intra-Cellular Therapies, Inc. (b)	58,512	1,395	Orchard Therapeutics plc - ADR (b)	6,026
3,730	Ironwood Pharmaceuticals, Inc. (b)	42,485	840	ORIC Pharmaceuticals, Inc. (b)	28,434
805	iTeos Therapeutics, Inc. (b)	27,225	1,475	Osmotica Pharmaceuticals plc (b)	6,077
2,055	IVERIC bio, Inc. (b)	14,200	1,455	Ovid therapeutics, Inc. (b)	3,361
945	Jounce Therapeutics, Inc. (b)	6,615	4,295	Pacific Biosciences of California, Inc. (b)	111,412
3,935	Kadmon Holdings, Inc. (b)	16,330	995	Pacira BioSciences, Inc. (b)	59,541
1,345	Kala Pharmaceuticals, Inc. (b)	9,119	700	Pandion Therapeutics, Inc. (b)	10,395
850	Kaleido Biosciences, Inc. (b)	7,735	1,050	Paratek Pharmaceuticals, Inc. (b)	6,573
410	KalVista Pharmaceuticals, Inc. (b)	7,786	1,045	Passage Bio, Inc. (b)	26,721
1,070	Kamada, Ltd. (b)	6,934	2,625	PDL BioPharma, Inc. (b)	6,484
620	Karuna Therapeutics, Inc. (b)	62,986	895	Personalis, Inc. (b)	32,766
1,690	Karyopharm Therapeutics, Inc. (b)	26,161	580	PetIQ, Inc. (b)	22,301
530	Keros Therapeutics, Inc. (b)	37,386			
1,130	Kezar Life Sciences, Inc. (b)	5,899			

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

## Defiance Nasdaq Junior Biotechnology ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020 (Continued)

Shares	Security Description	Value	Shares	Security Description	Value
<b>COMMON STOCKS — 99.7% (Continued)</b>			<b>COMMON STOCKS — 99.7% (Continued)</b>		
<b>Health Care — 99.7% (a) (Continued)</b>			<b>Health Care — 99.7% (a) (Continued)</b>		
465	Phibro Animal Health Corporation - Class A .....	\$ 9,030	1,050	Syros Pharmaceuticals, Inc. (b) .....	\$ 11,393
825	Pliant Therapeutics, Inc. (b) .....	18,744	765	TCR2 Therapeutics, Inc. (b) .....	23,661
1,420	Poseida Therapeutics, Inc. (b) .....	15,577	7,050	TherapeuticsMD, Inc. (b) .....	8,531
4,255	Precigen, Inc. (b) .....	43,401	1,465	Theravance Biopharma, Inc. (b) .....	26,033
1,205	Precision BioSciences, Inc. (b) .....	10,050	1,720	Translate Bio, Inc. (b) .....	31,700
785	Prevail Therapeutics, Inc. (b) .....	18,110	1,170	Traverse Therapeutics, Inc. (b) .....	31,888
880	Protagonist Therapeutics, Inc. (b) .....	17,741	1,165	Tricida, Inc. (b) .....	8,213
915	Prothena Corporation plc (b) .....	10,989	1,110	Turning Point Therapeutics, Inc. (b) ...	135,254
1,320	Provention Bio, Inc. (b) .....	22,361	1,040	Twist Bioscience Corporation (b) .....	146,942
1,565	PTC Therapeutics, Inc. (b) .....	95,512	1,025	uniQure NV - (b) .....	37,033
915	Puma Biotechnology, Inc. (b) .....	9,388	1,215	UNITY Biotechnology, Inc. (b) .....	6,367
1,085	Radius Health, Inc. (b) .....	19,378	505	UroGen Pharma, Ltd. (b) .....	9,100
565	RAPT Therapeutics, Inc. (b) .....	11,159	1,255	Vanda Pharmaceuticals, Inc. (b) .....	16,491
665	Reata Pharmaceuticals, Inc. - Class A (b) .....	82,207	1,180	Vaxcyte, Inc. (b) .....	31,353
860	Redhill Biopharma, Ltd. - ADR (b) .....	6,949	1,330	Veracyte, Inc. (b) .....	65,090
860	REGENXBIO, Inc. (b) .....	39,010	3,900	Verastem, Inc. (b) .....	8,307
2,065	Relay Therapeutics, Inc. (b) .....	85,821	1,260	Viela Bio, Inc. (b) .....	45,322
375	Relmada Therapeutics, Inc. (b) .....	12,026	2,920	Vir Biotechnology, Inc. (b) .....	78,198
845	Repare Therapeutics, Inc. (b) .....	28,984	860	Voyager Therapeutics, Inc. (b) .....	6,149
1,055	Replimune Group, Inc. (b) .....	40,248	3,850	VYNE Therapeutics, Inc. (b) .....	6,083
1,525	Revance Therapeutics, Inc. (b) .....	43,219	1,120	WaVe Life Sciences, Ltd. (b) .....	8,814
1,525	REVOLUTION Medicines, Inc. (b) .....	60,375	670	XBiotech, Inc. (b) .....	10,486
1,015	Rhythm Pharmaceuticals, Inc. (b) .....	30,176	1,320	Xencor, Inc. (b) .....	57,592
4,030	Rigel Pharmaceuticals, Inc. (b) .....	14,105	805	Xenon Pharmaceuticals, Inc. (b) .....	12,381
1,275	Rocket Pharmaceuticals, Inc. (b) .....	69,921	1,155	Xeris Pharmaceuticals, Inc. (b) .....	5,683
1,855	Rubius Therapeutics, Inc. (b) .....	14,079	930	Y-mAbs Therapeutics, Inc. (b) .....	46,044
1,195	Sage Therapeutics, Inc. (b) .....	103,379	1,275	Zai Lab, Ltd. - ADR (b) .....	172,559
3,270	Sangamo Therapeutics, Inc. (b) .....	51,028	930	Zentalis Pharmaceuticals, Inc. (b) .....	48,304
770	Scholar Rock Holding Corporation (b) .....	37,368	4,915	ZIOPHARM Oncology, Inc. (b) .....	12,386
2,480	Selecta Biosciences, Inc. (b) .....	7,514	1,275	Zogenix, Inc. (b) .....	25,487
2,095	Seres Therapeutics, Inc. (b) .....	51,328			<u>8,582,672</u>
1,875	SIGA Technologies, Inc. (b) .....	13,631		<b>TOTAL COMMON STOCKS</b>	
3,400	Spectrum Pharmaceuticals, Inc. (b) ...	11,594		(Cost \$7,556,180) .....	<u>8,582,672</u>
625	Spero Therapeutics, Inc. (b) .....	12,119			
1,125	SpringWorks Therapeutics, Inc. (b) ...	81,585		<b>CONTINGENT VALUE RIGHTS — 0.0% (c)</b>	
830	Stoke Therapeutics, Inc. (b) .....	51,402	43	Adicet Bio, Inc. (b)(d)(e) .....	<u>0</u>
2,035	Summit Therapeutics, Inc. (b) .....	9,565		<b>TOTAL CONTINGENT VALUE RIGHTS</b>	
1,210	Supernus Pharmaceuticals, Inc. (b) ...	30,444		(Cost \$0) .....	<u>0</u>
965	Surface Oncology, Inc. (b) .....	8,917			
900	Sutro Biopharma, Inc. (b) .....	19,539			
940	Syndax Pharmaceuticals, Inc. (b) .....	20,906			

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

## Defiance Nasdaq Junior Biotechnology ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020 (Continued)

Shares	Security Description	Value
<b>SHORT-TERM INVESTMENTS — 0.3%</b>		
21,608	First American Government Obligations Fund - Class X, 0.04% (f) .....	\$ 21,608
TOTAL SHORT-TERM INVESTMENTS (Cost \$21,608) .....		21,608
TOTAL INVESTMENTS — 100.0% (Cost \$7,577,788) .....		8,604,280
Other Assets in Excess of Liabilities — 0.0% (c) .....		2,316
NET ASSETS — 100.0% .....		\$ 8,606,596

Percentages are stated as a percent of net assets.

ADR American Depositary Receipt.

- (a) To the extent that the Fund invests more heavily in particular sectors of the economy, its performance will be especially sensitive to developments that significantly affect those sectors. See Note 8 in Notes to Financial Statements.
- (b) Non-income producing security.
- (c) Represents less than 0.05% of net assets.
- (d) Value determined using significant unobservable inputs. Classified as Level 3 in the fair value hierarchy.
- (e) This security has been deemed illiquid according to the Fund's liquidity guidelines. The value of this security is \$0 which represents 0.00% of net assets.
- (f) Rate shown is the annualized seven-day yield as of December 31, 2020.

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

## Defiance Next Gen SPAC Derived ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020

Shares	Security Description	Value	Shares	Security Description	Value
<b>COMMON STOCKS — 75.6%</b>			<b>COMMON STOCKS — 75.6% (Continued)</b>		
<b>Communication Services — 1.7%</b>			<b>Industrials — 23.7%</b>		
18,859	Advantage Solutions, Inc. (a) .....	\$ 248,373	129,558	Clarivate plc (a) .....	\$ 3,849,168
18,281	CuriosityStream, Inc. (a) .....	255,020	15,758	Desktop Metal, Inc. - Class A (a) .....	271,038
18,701	Skillz, Inc. (a) .....	374,020	11,892	Eos Energy Enterprises, Inc. (a) .....	247,829
		<u>877,413</u>	104,701	Hyllion Holdings Corporation (a) .....	1,725,472
<b>Consumer Discretionary — 23.4%</b>			28,337	Nesco Holdings, Inc. (a) .....	208,844
39,326	Accel Entertainment, Inc. (a) .....	397,193	46,976	PAE, Inc. (a) .....	431,240
16,340	Arko Corporation (a) .....	147,060	16,099	Romeo Power, Inc. (a) .....	362,066
5,947	Betterware de Mexico SAB de CV .....	203,090	152,849	Vertiv Holdings Company .....	2,853,691
101,638	DraftKings, Inc. - Class A (a) .....	4,732,265	87,814	Virgin Galactic Holdings, Inc. (a) .....	<u>2,083,826</u>
16,389	Fisker, Inc. (a) .....	240,099			<u>12,033,174</u>
13,960	Golden Nugget Online Gaming, Inc. (a) .....	275,012	<b>Information Technology — 7.4%</b>		
19,984	Lordstown Motors Corporation - Class A (a) .....	400,879	19,101	Global Blue Group Holding AG (a) .....	248,313
16,178	Luminar Technologies, Inc. (a) .....	550,052	19,441	Grid Dynamics Holdings, Inc. (a) .....	244,956
40,531	OneSpaWorld Holdings, Ltd. .....	410,984	21,317	Kaleyra, Inc. (a) .....	210,186
14,274	Porch Group, Inc. (a) .....	203,690	30,971	Paya Holdings, Inc. - Class A (a) .....	420,586
17,274	QuantumScape Corporation (a) .....	1,458,789	42,986	Repay Holdings Corporation (a) .....	1,171,368
14,080	Rush Street Interactive, Inc. (a) .....	304,832	15,461	Triterras, Inc. - Class A (a) .....	170,535
27,620	Shift Technologies, Inc. (a) .....	228,417	55,541	Velodyne Lidar, Inc. (a) .....	<u>1,267,446</u>
94,146	Vivint Smart Home, Inc. (a) .....	1,953,530			<u>3,733,390</u>
16,178	XL Fleet Corporation (a) .....	<u>383,904</u>	<b>Materials — 3.3%</b>		
		<u>11,889,796</u>	15,091	Danimer Scientific, Inc. (a) .....	354,789
<b>Consumer Staples — 2.6%</b>			44,220	Hycroft Mining Holding Corporation (a) .....	347,127
26,023	HF Foods Group, Inc. (a) .....	195,693	13,422	MP Materials Corporation (a) .....	431,786
11,592	Tattooed Chef, Inc. (a) .....	265,341	39,021	Ranpak Holdings Corporation (a) .....	<u>524,442</u>
26,445	Utz Brands, Inc. .....	583,377			<u>1,658,144</u>
26,071	Whole Earth Brands, Inc. (a) .....	<u>284,174</u>	<b>Real Estate — 0.9%</b>		
		<u>1,328,585</u>	11,220	Opendoor Technologies, Inc. (a) .....	255,031
<b>Financials — 5.8%</b>			34,938	Ucommune International, Ltd. - Class A (a) .....	<u>220,808</u>
89,552	Broadmark Realty Capital, Inc. .....	913,431			<u>475,839</u>
15,819	GCM Grosvenor, Inc. - Class A (a) .....	210,709	<b>TOTAL COMMON STOCKS</b>		
51,395	Open Lending Corporation - Class A (a) .....	<u>1,796,769</u>	<b>(Cost \$35,491,690) .....</b>		
		<u>2,920,909</u>	<u>38,364,477</u>		
<b>Health Care — 6.8%</b>			<b>SPECIAL PURPOSE ACQUISITION COMPANIES — 24.0%</b>		
12,261	AdaptHealth Corporation (a) .....	460,523	16,154	Acamar Partners Acquisition Corporation - Class A (a) .....	180,925
21,701	Cerevel Therapeutics Holdings, Inc. (a) .....	359,803	15,942	Apex Technology Acquisition Corporation - Class A (a) .....	239,289
15,746	DermTech, Inc. (a) .....	510,800	20,055	Apollo Strategic Growth Capital - Class A (a) .....	208,773
44,047	Immatics NV (a) .....	475,267	19,922	Artius Acquisition, Inc. - Class A (a) ....	211,771
19,839	Immunovant, Inc. (a) .....	916,363	20,288	Avanti Acquisition Corporation - Class A (a) .....	208,561
74,687	Multiplan Corporation (a) .....	596,749	15,896	Canoo, Inc. (a) .....	219,365
16,291	SOC Telemed, Inc. (a) .....	<u>127,722</u>			
		<u>3,447,227</u>			

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

## Defiance Next Gen SPAC Derived ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020 (Continued)

Shares	Security Description	Value	Shares	Security Description	Value
<b>SPECIAL PURPOSE ACQUISITION COMPANIES — 24.0% (Continued)</b>			<b>SPECIAL PURPOSE ACQUISITION COMPANIES — 24.0% (Continued)</b>		
16,275	CC Neuberger Principal Holdings I - Class A (a) .....	\$ 176,421	16,259	Oaktree Acquisition Corporation - Class A (a) .....	\$ 237,381
20,307	CC Neuberger Principal Holdings II - Class A (a) .....	211,193	19,975	Osprey Technology Acquisition Corporation - Class A (a) .....	209,138
16,340	CHP Merger Corporation - Class A (a)	167,648	32,875	Pershing Square Tontine Holdings, Ltd. - Class A (a) .....	911,295
18,701	Churchill Capital Corporation II - Class A (a) .....	193,555	19,106	RedBall Acquisition Corporation - Class A (a) .....	208,064
27,221	Churchill Capital Corporation IV - Class A (a) .....	272,482	17,734	Reinvent Technology Partners - Class A (a) .....	205,005
7,316	CIIG Merger Corporation - Class A (a)	205,726	19,533	Replay Acquisition Corporation (a) ....	203,143
16,878	CITIC Capital Acquisition Corporation - Class A (a) .....	176,881	16,259	Silver Spike Acquisition Corporation - Class A (a) .....	207,627
19,533	Cohn Robbins Holdings Corporation - Class A (a) .....	203,339	22,441	Social Capital Hedosophia Holdings Corporation III - Class A (a) .....	376,336
16,356	Crescent Acquisition Corporation - Class A (a) .....	170,920	16,586	Social Capital Hedosophia Holdings Corporation V - Class A (a) .....	206,330
15,009	Dragoneer Growth Opportunities Corporation - Class A (a) .....	199,169	16,482	Social Capital Hedosophia Holdings Corporation VI - Class A (a) .....	202,729
20,386	E.Merge Technology Acquisition Corporation - Class A (a) .....	208,549	12,351	South Mountain Merger Corporation - Class A (a) .....	199,222
20,893	East Resources Acquisition Company - Class A (a) .....	212,064	11,163	Stable Road Acquisition Corporation - Class A (a) .....	200,487
28,051	Foley Trasimene Acquisition Corporation - Class A (a) .....	313,610	9,412	Star Peak Energy Transition Corporation - Class A (a) .....	192,570
19,292	Foley Trasimene Acquisition Corporation II - Class A (a) .....	291,309	16,655	Sustainable Opportunities Acquisition Corporation - Class A (a) .....	179,208
18,533	Fusion Acquisition Corporation - Class A (a) .....	209,423	11,748	Switchback Energy Acquisition Corporation (a) .....	470,860
14,236	GigCapital3, Inc. (a) .....	187,630	20,268	Tailwind Acquisition Corporation - Class A (a) .....	210,585
16,488	Gores Holdings IV, Inc. - Class A (a) ....	216,487	16,194	Thunder Bridge Acquisition II, Ltd. - Class A (a) .....	214,085
18,951	GS Acquisition Holdings Corporation II - Class A (a) .....	206,566	7,253	TPG Pace Beneficial Finance Corporation - Class A (a) .....	187,635
15,896	GX Acquisition Corporation - Class A (a) .....	174,856	19,176	Trebia Acquisition Corporation - Class A (a) .....	206,909
19,865	Hudson Executive Investment Corporation - Class A (a) .....	214,741	16,099	Tuscan Holdings Corporation (a) .....	275,293
16,588	InterPrivate Acquisition Corporation (a) .....	241,189	19,569	TWC Tech Holdings II Corporation - Class A (a) .....	206,062
18,701	Jaws Acquisition Corporation - Class A (a) .....	250,780	17,483	VG Acquisition Corporation - Class A (a) .....	199,831
16,291	Juniper Industrial Holdings, Inc. - Class A (a) .....	174,477			<u>12,190,144</u>
16,809	Longview Acquisition Corporation - Class A (a) .....	332,650			
				TOTAL SPECIAL PURPOSE ACQUISITION COMPANIES (Cost \$11,203,332) .....	<u>12,190,144</u>

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

## Defiance Next Gen SPAC Derived ETF

### SCHEDULE OF INVESTMENTS

December 31, 2020 (Continued)

Shares	Security Description	Value
<b>SHORT-TERM INVESTMENTS — 0.4%</b>		
213,980	First American Government Obligations Fund - Class X, 0.04% (b) .....	\$ 213,980
TOTAL SHORT-TERM INVESTMENTS (Cost \$213,980) .....		213,980
TOTAL INVESTMENTS — 100.0% (Cost \$46,909,002) .....		50,768,601
Liabilities in Excess of Other Assets — 0.0% (c) .....		(21,455)
NET ASSETS — 100.0% .....		\$ 50,747,146

Percentages are stated as a percent of net assets.

- (a) Non-income producing security.
- (b) Rate shown is the annualized seven-day yield as of December 31, 2020.
- (c) Represents less than 0.05% of net assets.

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



## Defiance ETFs

### STATEMENTS OF ASSETS AND LIABILITIES

December 31, 2020

	Defiance Quantum ETF	Defiance Next Gen Connectivity ETF	Defiance Nasdaq Junior Biotechnology ETF	Defiance Next Gen SPAC Derived ETF
<b>ASSETS</b>				
Investments in securities, at value * + (Note 2) .....	\$ 66,795,398	\$ 1,004,491,320	\$ 8,604,280	\$ 50,768,601
Receivable for securities sold .....	141,139	—	—	9,537,020
Receivable for capital shares sold .....	—	—	1,756,415	—
Dividends and interest receivable .....	17,188	975,739	89	8,191
Reclaims receivable .....	3,850	42,588	—	—
Securities lending receivable .....	552	41,781	—	—
Cash .....	286	611	—	—
Other receivables .....	—	—	52	—
Total assets .....	<u>66,958,413</u>	<u>1,005,552,039</u>	<u>10,360,836</u>	<u>60,313,812</u>
<b>LIABILITIES</b>				
Collateral received for securities loaned (Note 4) .....	10,941,311	115,053,198	—	—
Payable for securities purchased .....	58,639	—	1,751,611	9,552,386
Management fees payable .....	17,789	207,213	2,629	14,280
Total liabilities .....	<u>11,017,739</u>	<u>115,260,411</u>	<u>1,754,240</u>	<u>9,566,666</u>
<b>NET ASSETS</b> .....	<u>\$ 55,940,674</u>	<u>\$ 890,291,628</u>	<u>\$ 8,606,596</u>	<u>\$ 50,747,146</u>
<b>Net Assets Consist of:</b>				
Paid-in capital .....	\$ 44,729,941	\$ 765,768,709	\$ 7,579,050	\$ 48,656,206
Total distributable earnings (accumulated deficit) .....	<u>\$ 11,210,733</u>	<u>\$ 124,522,919</u>	<u>\$ 1,027,546</u>	<u>\$ 2,090,940</u>
Net assets .....	<u>\$ 55,940,674</u>	<u>\$ 890,291,628</u>	<u>\$ 8,606,596</u>	<u>\$ 50,747,146</u>
<b>Net Asset Value:</b>				
Net assets .....	\$ 55,940,674	\$ 890,291,628	\$ 8,606,596	\$ 50,747,146
Shares outstanding ^ .....	1,350,000	26,500,000	250,000	1,775,000
Net asset value, offering and redemption price per share .....	\$ 41.44	\$ 33.60	\$ 34.43	\$ 28.59
<b>* Identified cost:</b>				
Investments in securities .....	\$ 55,516,575	\$ 870,260,934	\$ 7,577,788	\$ 46,909,002

^ No par value, unlimited number of shares authorized.

+ Including securities on loan of \$10,682,019, \$112,623,888, \$0 and \$0, respectively.

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

## Defiance ETFs

### STATEMENTS OF OPERATIONS

For the Year/Period Ended December 31, 2020

	Defiance Quantum ETF	Defiance Next Gen Connectivity ETF	Defiance Nasdaq Junior Biotechnology ETF <sup>(1)</sup>	Defiance Next Gen SPAC Derived ETF <sup>(2)</sup>
<b>INCOME</b>				
Dividends * .....	\$ 356,673	\$ 6,417,260	\$ 423	\$ 18,629
Interest .....	221	3,164	4	13
Securities lending income, net (Note 4) .....	2,418	230,901	—	—
Total investment income .....	<u>359,312</u>	<u>6,651,325</u>	<u>427</u>	<u>18,642</u>
<b>EXPENSES</b>				
Management fees .....	<u>129,763</u>	<u>1,205,029</u>	<u>8,378</u>	<u>29,284</u>
Total expenses .....	<u>129,763</u>	<u>1,205,029</u>	<u>8,378</u>	<u>29,284</u>
<b>Net investment income (loss)</b> .....	<u>229,549</u>	<u>5,446,296</u>	<u>(7,951)</u>	<u>(10,642)</u>
<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>				
Net realized gain (loss) on:				
Investments in securities .....	4,457,784	4,957,822	664,072	(1,783,336)
Foreign currency .....	(12,859)	—	—	—
Net change in unrealized appreciation (depreciation) of:				
Investments in securities .....	9,096,739	131,041,762	1,026,492	3,859,599
Foreign currency .....	782	—	—	—
<b>Net realized and unrealized gain (loss) on investments</b> .....	<u>13,542,446</u>	<u>135,999,584</u>	<u>1,690,564</u>	<u>2,076,263</u>
<b>Net increase (decrease) in net assets resulting from operations</b> .....	<u>\$ 13,771,995</u>	<u>\$ 141,445,880</u>	<u>\$ 1,682,613</u>	<u>\$ 2,065,621</u>

(1) The Fund commenced operations on August 3, 2020. The information presented is for the period from August 3, 2020 to December 31, 2020.

(2) The Fund commenced operations on September 30, 2020. The information presented is for the period from September 30, 2020 to December 31, 2020.

\* Net of foreign withholding taxes of \$24,695, \$175,061, \$89 and \$0, respectively.

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

## Defiance Quantum ETF

### STATEMENTS OF CHANGES IN NET ASSETS

	<u>Year Ended December 31, 2020</u>	<u>Year Ended December 31, 2019</u>
<b>OPERATIONS</b>		
Net investment income (loss) .....	\$ 229,549	\$ 64,267
Net realized gain (loss) on investments and foreign currency .....	4,444,925	(17,398)
Change in unrealized appreciation (depreciation) on investments and foreign currency .....	9,097,521	2,628,587
Net increase (decrease) in net assets resulting from operations .....	<u>13,771,995</u>	<u>2,675,456</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
Net distributions to shareholders .....	<u>(221,124)</u>	<u>(63,308)</u>
<b>Total distributions to shareholders</b> .....	<u>(221,124)</u>	<u>(63,308)</u>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	33,659,285	14,949,515
Payments for shares redeemed .....	(11,832,470)	—
Transaction fees (Note 7) .....	4,983	2,849
<b>Net increase (decrease) in net assets derived from capital share transactions (a)</b> .....	<u>21,831,798</u>	<u>14,952,364</u>
<b>Net increase (decrease) in net assets</b> .....	<u>\$ 35,382,669</u>	<u>\$ 17,564,512</u>
<b>NET ASSETS</b>		
Beginning of year .....	\$ 20,558,005	\$ 2,993,493
End of year .....	<u>\$ 55,940,674</u>	<u>\$ 20,558,005</u>

(a) A summary of capital share transactions is as follows:

	<u>Shares</u>	<u>Shares</u>
Subscriptions .....	950,000	550,000
Redemptions .....	(300,000)	—
Net increase (decrease) .....	<u>650,000</u>	<u>550,000</u>

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

## Defiance Next Gen Connectivity ETF

### STATEMENTS OF CHANGES IN NET ASSETS

	<b>Year Ended December 31, 2020</b>	<b>Period Ended December 31, 2019 <sup>(1)</sup></b>
<b>OPERATIONS</b>		
Net investment income (loss) .....	\$ 5,446,296	\$ 925,694
Net realized gain (loss) on investments .....	4,957,822	2,713,408
Change in unrealized appreciation (depreciation) on investments .....	131,041,762	3,188,624
Net increase (decrease) in net assets resulting from operations .....	<u>141,445,880</u>	<u>6,827,726</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
Net distributions to shareholders .....	(5,446,296)	(938,468)
Tax return of capital to shareholders .....	(407,082)	—
<b>Total distributions to shareholders</b> .....	<u>(5,853,378)</u>	<u>(938,468)</u>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	615,223,530	183,149,160
Payments for shares redeemed .....	(22,985,155)	(26,577,860)
Transaction fees (Note 7) .....	193	—
<b>Net increase (decrease) in net assets derived from capital share transactions (a)</b> .....	<u>592,238,568</u>	<u>156,571,300</u>
<b>Net increase (decrease) in net assets</b> .....	<u>\$ 727,831,070</u>	<u>\$ 162,460,558</u>
<b>NET ASSETS</b>		
Beginning of year/period .....	\$ 162,460,558	\$ —
End of year/period .....	<u>\$ 890,291,628</u>	<u>\$ 162,460,558</u>
 (a) A summary of capital share transactions is as follows:		
	<u>Shares</u>	<u>Shares</u>
Subscriptions .....	21,050,000	7,250,000
Redemptions .....	(750,000)	(1,050,000)
Net increase (decrease) .....	<u>20,300,000</u>	<u>6,200,000</u>

(1) The Fund commenced operations on March 4, 2019. The information presented is for the period from March 4, 2019 to December 31, 2019.

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

## Defiance Nasdaq Junior Biotechnology ETF

### STATEMENT OF CHANGES IN NET ASSETS

	<u>Period Ended December 31, 2020 <sup>(1)</sup></u>
<b>OPERATIONS</b>	
Net investment income (loss) .....	\$ (7,951)
Net realized gain (loss) on investments .....	664,072
Change in unrealized appreciation (depreciation) on investments .....	<u>1,026,492</u>
Net increase (decrease) in net assets resulting from operations .....	<u>1,682,613</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>	
Net distributions to shareholders .....	<u>(59,962)</u>
<b>Total distributions to shareholders</b> .....	<u>(59,962)</u>
<b>CAPITAL SHARE TRANSACTIONS</b>	
Proceeds from shares sold .....	8,743,625
Payments for shares redeemed .....	<u>(1,759,680)</u>
<b>Net increase (decrease) in net assets derived from capital share transactions (a)</b> .....	<u>6,983,945</u>
<b>Net increase (decrease) in net assets</b> .....	<u>\$ 8,606,596</u>
<b>NET ASSETS</b>	
Beginning of period .....	\$ —
End of period .....	<u>\$ 8,606,596</u>

(a) A summary of capital share transactions is as follows:

	<u>Shares</u>
Subscriptions .....	300,000
Redemptions .....	<u>(50,000)</u>
Net increase (decrease) .....	<u>250,000</u>

(1) The Fund commenced operations on August 3, 2020. The information presented is for the period from August 3, 2020 to December 31, 2020.

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

## Defiance Next Gen SPAC Derived ETF

### STATEMENT OF CHANGES IN NET ASSETS

	Period Ended December 31, 2020 <sup>(1)</sup>
<b>OPERATIONS</b>	
Net investment income (loss) .....	\$ (10,642)
Net realized gain (loss) on investments .....	(1,783,336)
Change in unrealized appreciation (depreciation) on investments .....	3,859,599
Net increase (decrease) in net assets resulting from operations .....	<u>2,065,621</u>
<b>CAPITAL SHARE TRANSACTIONS</b>	
Proceeds from shares sold .....	51,598,750
Payments for shares redeemed .....	(2,917,278)
Transaction fees (Note 7) .....	53
<b>Net increase (decrease) in net assets derived from capital share transactions (a) .....</b>	<u>48,681,525</u>
<b>Net increase (decrease) in net assets .....</b>	<u>\$ 50,747,146</u>
<b>NET ASSETS</b>	
Beginning of period .....	\$ —
End of period .....	<u>\$ 50,747,146</u>

(a) A summary of capital share transactions is as follows:

	<u>Shares</u>
Subscriptions .....	1,900,000
Redemptions .....	<u>(125,000)</u>
Net increase (decrease) .....	<u>1,775,000</u>

(1) The Fund commenced operations on September 30, 2020. The information presented is for the period from September 30, 2020 to December 31, 2020.

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

## Defiance Quantum ETF

### FINANCIAL HIGHLIGHTS

For a capital share outstanding throughout the year/period

	<u>Year Ended December 31, 2020</u>	<u>Year Ended December 31, 2019</u>	<u>Period Ended December 31, 2018 <sup>(1)</sup></u>
Net asset value, beginning of year/period .....	\$ 29.37	\$ 19.96	\$ 25.00
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>			
Net investment income (loss) <sup>(2)</sup> .....	0.22	0.22	0.05
Net realized and unrealized gain (loss) on investments .....	<u>12.06</u>	<u>9.36</u>	<u>(5.05)</u>
Total from investment operations .....	<u>12.28</u>	<u>9.58</u>	<u>(5.00)</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>			
From net investment income .....	(0.19)	(0.18)	(0.03)
From realized gains .....	(0.02)	—	—
Tax return of capital to shareholders .....	<u>—</u>	<u>—</u>	<u>(0.01)</u>
Total distributions .....	<u>(0.21)</u>	<u>(0.18)</u>	<u>(0.04)</u>
<b>CAPITAL SHARE TRANSACTIONS:</b>			
Transaction fees (Note 7) .....	<u>0.00<sup>(3)</sup></u>	<u>0.01</u>	<u>0.00<sup>(3)</sup></u>
Net asset value, end of year/period .....	<u>\$ 41.44</u>	<u>\$ 29.37</u>	<u>\$ 19.96</u>
Total return .....	42.01%	48.20%	-20.01% <sup>(4)</sup>
<b>SUPPLEMENTAL DATA:</b>			
Net assets at end of year/period (000's) .....	\$ 55,941	\$ 20,558	\$ 2,993
<b>RATIOS TO AVERAGE NET ASSETS:</b>			
Expenses to average net assets .....	0.40%	0.40% <sup>(5)</sup>	0.65% <sup>(6)</sup>
Net investment income (loss) to average net assets .....	0.71%	0.87%	0.70% <sup>(6)</sup>
Portfolio turnover rate <sup>(7)</sup> .....	40%	45%	22% <sup>(4)</sup>

<sup>(1)</sup> Commencement of operations on September 4, 2018.

<sup>(2)</sup> Calculated based on average shares outstanding during the year/period.

<sup>(3)</sup> Represents less than \$0.005 per share.

<sup>(4)</sup> Not annualized.

<sup>(5)</sup> Effective January 14, 2019, the Adviser reduced its management fee from 0.65% to 0.40%.

<sup>(6)</sup> Annualized.

<sup>(7)</sup> Excludes the impact of in-kind transactions.

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

## Defiance Next Gen Connectivity ETF

### FINANCIAL HIGHLIGHTS

For a capital share outstanding throughout the year/period

	Year Ended December 31, 2020	Period Ended December 31, 2019 <sup>(1)</sup>
Net asset value, beginning of year/period .....	\$ 26.20	\$ 25.00
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>		
Net investment income (loss) <sup>(2)</sup> .....	0.38	0.25
Net realized and unrealized gain (loss) on investments .....	7.35	1.15
Total from investment operations .....	7.73	1.40
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>		
From net investment income .....	(0.31)	(0.20)
Tax return of capital to shareholders .....	(0.02)	—
Total distributions .....	(0.33)	(0.20)
<b>CAPITAL SHARE TRANSACTIONS:</b>		
Transaction fees (Note 7) .....	0.00 <sup>(3)</sup>	—
Net asset value, end of year/period .....	\$ 33.60	\$ 26.20
Total return .....	29.77%	5.64% <sup>(4)</sup>
<b>SUPPLEMENTAL DATA:</b>		
Net assets at end of year/period (000's) .....	\$890,292	\$162,461
<b>RATIOS TO AVERAGE NET ASSETS:</b>		
Expenses to average net assets .....	0.30%	0.30% <sup>(5)</sup>
Net investment income (loss) to average net assets .....	1.35%	1.22% <sup>(5)</sup>
Portfolio turnover rate <sup>(6)</sup> .....	28%	54% <sup>(4)</sup>

<sup>(1)</sup> Commencement of operations on March 4, 2019.

<sup>(2)</sup> Calculated based on average shares outstanding during the year/period.

<sup>(3)</sup> Represents less than \$0.005 per share.

<sup>(4)</sup> Not annualized.

<sup>(5)</sup> Annualized.

<sup>(6)</sup> Excludes the impact of in-kind transactions.

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



## Defiance Nasdaq Junior Biotechnology ETF

### FINANCIAL HIGHLIGHTS

For a capital share outstanding throughout the period

	<b>Period Ended December 31, 2020 <sup>(1)</sup></b>
Net asset value, beginning of period .....	<u>\$ 25.00</u>
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>	
Net investment income (loss) <sup>(2)</sup> .....	(0.05)
Net realized and unrealized gain (loss) on investments .....	<u>9.78</u>
Total from investment operations .....	<u>9.73</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>	
From realized gains .....	<u>(0.30)</u>
Total distributions .....	<u>(0.30)</u>
Net asset value, end of period .....	<u>\$ 34.43</u>
Total return .....	38.90% <sup>(3)</sup>
<b>SUPPLEMENTAL DATA:</b>	
Net assets at end of period (000's) .....	\$ 8,607
<b>RATIOS TO AVERAGE NET ASSETS:</b>	
Expenses to average net assets .....	0.45% <sup>(4)</sup>
Net investment income (loss) to average net assets .....	-0.43% <sup>(4)</sup>
Portfolio turnover rate <sup>(5)</sup> .....	66% <sup>(3)</sup>

<sup>(1)</sup> Commencement of operations on August 3, 2020.

<sup>(2)</sup> Calculated based on average shares outstanding during the period.

<sup>(3)</sup> Not annualized.

<sup>(4)</sup> Annualized.

<sup>(5)</sup> Excludes the impact of in-kind transactions.

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

## Defiance Next Gen SPAC Derived ETF

### FINANCIAL HIGHLIGHTS

For a capital share outstanding throughout the period

	<b>Period Ended December 31, 2020 <sup>(1)</sup></b>
Net asset value, beginning of period .....	<u>\$ 25.24</u>
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>	
Net investment income (loss) <sup>(2)</sup> .....	(0.01)
Net realized and unrealized gain (loss) on investments .....	<u>3.36</u>
Total from investment operations .....	<u>3.35</u>
<b>CAPITAL SHARE TRANSACTIONS:</b>	
Transaction fees (Note 7) .....	<u>0.00<sup>(3)</sup></u>
Net asset value, end of period .....	<u>\$ 28.59</u>
Total return .....	13.29% <sup>(4)</sup>
<b>SUPPLEMENTAL DATA:</b>	
Net assets at end of period (000's) .....	\$ 50,747
<b>RATIOS TO AVERAGE NET ASSETS:</b>	
Expenses to average net assets .....	0.45% <sup>(5)</sup>
Net investment income (loss) to average net assets .....	-0.16% <sup>(5)</sup>
Portfolio turnover rate <sup>(6)</sup> .....	64% <sup>(4)</sup>

<sup>(1)</sup> Commencement of operations on September 30, 2020.

<sup>(2)</sup> Calculated based on average shares outstanding during the period.

<sup>(3)</sup> Represents less than \$0.005 per share.

<sup>(4)</sup> Not annualized.

<sup>(5)</sup> Annualized.

<sup>(6)</sup> Excludes the impact of in-kind transactions.

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

## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020

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#### NOTE 1 – ORGANIZATION

Defiance Quantum ETF, Defiance Next Gen Connectivity ETF, Defiance Nasdaq Junior Biotechnology ETF and Defiance Next Gen SPAC Derived ETF (individually each a “Fund” or collectively the “Funds”) are each a non-diversified series of ETF Series Solutions (“ESS” or the “Trust”), an open-end management investment company consisting of multiple investment series, organized as a Delaware statutory trust on February 9, 2012. The Trust is registered with the Securities and Exchange Commission (“SEC”) under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company and the offering of the Funds’ shares is registered under the Securities Act of 1933, as amended (the “Securities Act”). The investment objective of Defiance Quantum ETF is to track the total return performance, before fees and expenses, of the BlueStar Quantum Computing and Machine Learning Index<sup>®</sup>. The investment objective of Defiance Next Gen Connectivity ETF is to track the total return, before fees and expenses, of the BlueStar 5G Communications Index<sup>™</sup>. The investment objective of Defiance Nasdaq Junior Biotechnology ETF is to track the total return, before fees and expenses, of the Nasdaq Junior Biotechnology Index. The investment objective of Defiance Next Gen SPAC Derived ETF is to track the total return, before fees and expenses, of the Indxx SPAC & NextGen IPO Index. Defiance Quantum ETF commenced operations on September 4, 2018, Defiance Next Gen Connectivity ETF commenced operations on March 4, 2019, Defiance Nasdaq Junior Biotechnology ETF commenced operations on August 3, 2020 and Defiance Next Gen SPAC Derived ETF commenced operations on September 30, 2020.

The end of the reporting period for the Funds is December 31, 2020, and the period covered by these Notes to Financial Statements is the fiscal period from January 1, 2020 through December 31, 2020 for Defiance Quantum ETF and Defiance Next Gen Connectivity ETF, the period from August 3, 2020 through December 31, 2020 for Defiance Nasdaq Junior Biotechnology ETF and the period from September 30, 2020 through December 31, 2020 for Defiance Next Gen SPAC Derived ETF (each, respectively, the “current fiscal period”).

#### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The Funds are investment companies and accordingly follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946 Financial Services – Investment Companies.

The following is a summary of significant accounting policies consistently followed by the Funds. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

- A. *Security Valuation.* All equity securities, including domestic and foreign common stocks, preferred stocks, special purchase acquisition companies (“SPAC”) and exchange-traded funds, that are traded on a national securities exchange, except those listed on the Nasdaq Global Market<sup>®</sup>, Nasdaq Global Select Market<sup>®</sup> and the Nasdaq Capital Market<sup>®</sup> exchanges (collectively, “Nasdaq”) are valued at the last reported sale price on the exchange on which the security is principally traded. Securities traded on Nasdaq will be valued at the Nasdaq Official Closing Price (“NOCP”). If, on a particular day, an exchange-traded or Nasdaq security does not trade, then the mean between the most recent quoted bid and asked prices will be used. All equity securities that are not traded on a listed exchange are valued at the last sale price in the over-the-counter market. If a non-exchange traded security does not trade on a particular day, then the mean between the last quoted closing bid and asked price will be used. Prices denominated in foreign currencies are converted to U.S. dollar equivalents at the current exchange rate, which approximates fair value.

Investments in mutual funds, including money market funds, are valued at their net asset value (“NAV”) per share.

Units of Mount Vernon Liquid Assets Portfolio, LLC are not traded on an exchange and are valued at the investment company’s NAV per share as provided by the underlying fund’s administrator. These shares are generally classified as Level 2 Investments.

Securities for which quotations are not readily available are valued at their respective fair values in accordance with pricing procedures adopted by the Funds’ Board of Trustees (the “Board”). When a security is “fair valued,” consideration is given to the facts and circumstances relevant to the particular situation, including a review of various factors set forth in the pricing procedures adopted by the Board. The use of fair value pricing by the Funds may cause the NAV of their shares to differ significantly from the NAV that would be calculated without regard to such considerations.

## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020 (Continued)

As described above, the Funds utilize various methods to measure the fair value of their investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuations methods. The three levels of inputs are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Funds have the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Funds' own assumptions about the assumptions a market participant would use in valuing the asset or liability and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The following is a summary of the inputs used to value the Funds' investments as of the end of the current fiscal period:

#### Defiance Quantum ETF

<u>Assets<sup>^</sup></u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks .....	\$ 55,648,524	\$ —	\$ —	\$ 55,648,524
Short-Term Investments .....	205,563	—	—	205,563
Investments Purchased with Proceeds from Securities Lending .....	—	10,941,311	—	10,941,311
Total Investments in Securities, at value .....	<u>\$ 55,854,087</u>	<u>\$ 10,941,311</u>	<u>\$ —</u>	<u>\$ 66,795,398</u>

#### Defiance Next Gen Connectivity ETF

<u>Assets<sup>^</sup></u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks .....	\$ 887,957,978	\$ —	\$ —	\$ 887,957,978
Short-Term Investments .....	1,480,144	—	—	1,480,144
Investments Purchased with Proceeds from Securities Lending .....	—	115,053,198	—	115,053,198
Total Investments in Securities, at value .....	<u>\$ 889,438,122</u>	<u>\$ 115,053,198</u>	<u>\$ —</u>	<u>\$ 1,004,491,320</u>

#### Defiance Nasdaq Junior Biotechnology ETF

<u>Assets<sup>^</sup></u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks .....	\$ 8,576,188	\$ 6,484	\$ —	\$ 8,582,672
Contingent Value Rights .....	—	—	0 <sup>(1)</sup>	0 <sup>(1)</sup>
Short-Term Investments .....	21,608	—	—	21,608
Total Investments in Securities, at value .....	<u>\$ 8,597,796</u>	<u>\$ 6,484</u>	<u>\$ 0<sup>(1)</sup></u>	<u>\$ 8,604,280</u>

## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020 (Continued)

#### Defiance Next Gen SPAC Derived ETF

<u>Assets<sup>^</sup></u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks .....	\$ 38,364,477	\$ —	\$ —	\$ 38,364,477
Special Purpose Acquisition Companies .....	12,190,144	—	—	12,190,144
Short-Term Investments .....	213,980	—	—	213,980
Total Investments in Securities, at value .....	<u>\$ 50,768,601</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 50,768,601</u>

<sup>^</sup> See Schedule of Investments for breakout of investments by sector classification.

<sup>(1)</sup> Represents less than \$0.50.

During the current fiscal period, the Funds did not recognize any transfers to or from Level 3.

- B. *Federal Income Taxes.* The Funds' policy is to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all net taxable investment income and net capital gains to shareholders. Therefore, no federal income tax provision is required. The Funds plan to file U.S. Federal and various state and local tax returns.

The Funds recognize the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained. Management has analyzed the Funds' uncertain tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions. Management is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months. Income and capital gain distributions are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. The Funds recognize interest and penalties, if any, related to unrecognized tax benefits on uncertain tax positions as income tax expense in the Statements of Operations. During the current fiscal period, the Funds did not incur any interest or penalties.

- C. *Foreign Currency.* Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Funds do not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments and currency gains or losses realized between trade and settle dates on security transactions from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments. The Funds report net realized foreign exchange gains or losses that arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on foreign currency transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Funds' books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.
- D. *Security Transactions and Investment Income.* Investment securities transactions are accounted for on the trade date. Gains and losses realized on sales of securities are determined on a specific identification basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on an accrual basis. Withholding taxes on foreign dividends, if any, have been provided for in accordance with the Funds' understanding of the applicable tax rules and regulations.

Distributions received from the Funds' investments in real estate investment trusts ("REITs") may be characterized as ordinary income, net capital gain, or a return of capital. The proper characterization of REIT distributions is generally not known until after the end of each calendar year. As such, the Funds must use estimates in reporting the character of their income and distributions received during the current calendar year for financial statement purposes. The actual character of distributions to the Funds' shareholders will be reflected on the Form 1099 received by shareholders after the end of the calendar year. Due to the nature of REIT investments, a portion of the distributions received by the Funds' shareholders may represent a return of capital.

## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020 (Continued)

- E. *Distributions to Shareholders.* Distributions to shareholders from net investment income and net realized gains on securities for the Funds are declared and paid at least annually by each Fund. Distributions are recorded on the ex-dividend date.
- F. *Use of Estimates.* 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, as well as the reported amounts of revenues and expenses during the current fiscal period. Actual results could differ from those estimates.
- G. *Share Valuation.* The NAV per share of each Fund is calculated by dividing the sum of the value of the securities held by each Fund, plus cash and other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding for each Fund, rounded to the nearest cent. The Funds' shares will not be priced on the days on which the New York Stock Exchange ("NYSE") is closed for trading. The offering and redemption price per share for creation units of each Fund is equal to each Fund's NAV per share.
- H. *Guarantees and Indemnifications.* In the normal course of business, the Funds enter into contracts with service providers that contain general indemnification clauses. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be against the Funds that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.
- I. *Reclassification of Capital Accounts.* U.S. GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or NAV per share and are primarily due to differing book and tax treatments for in-kind transactions. For the current fiscal period, the following table shows the reclassifications made:

	Distributable Earnings (Accumulated Deficit)	Paid-In Capital
Defiance Quantum ETF .....	\$ (4,370,561)	\$ 4,370,561
Defiance Next Gen Connectivity ETF .....	(9,523,796)	9,523,796
Defiance Nasdaq Junior Biotechnology ETF .....	(595,105)	595,105
Defiance Next Gen SPAC Derived ETF .....	25,319	(25,319)

During the fiscal period ended December 31, 2020, the Funds realized the following net capital gains (losses) resulting from in-kind redemptions, in which shareholders exchanged Fund shares for securities held by the Funds rather than for cash. Because such gains are not taxable to the Funds, and are not distributed to shareholders, they have been reclassified from distributable earnings (accumulated deficit) to paid-in capital.

Defiance Quantum ETF .....	\$ 4,370,561
Defiance Next Gen Connectivity ETF .....	9,523,796
Defiance Nasdaq Junior Biotechnology ETF .....	595,105
Defiance Next Gen SPAC Derived ETF .....	(25,319)

- J. *Subsequent Events.* In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. There were no events or transactions that occurred during the period subsequent to the end of the current fiscal period that materially impacted the amounts or disclosures in the Funds' financial statements.

## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020 (Continued)

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#### NOTE 3 – COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS

Defiance ETFs, LLC (the “Adviser”), serves as the investment adviser to the Funds. Pursuant to an Investment Advisory Agreement (“Advisory Agreement”) between the Trust, on behalf of the Funds, and the Adviser, the Adviser provides investment advice to the Funds and oversees the day-to-day operations of the Funds, subject to the direction and control of the Board and the officers of the Trust. Under the Advisory Agreement, the Adviser is also responsible for arranging, in consultation with Penserra Capital Management LLC, (the “Sub-Adviser”), transfer agency, custody, fund administration and accounting, and other non-distribution related services necessary for the Funds to operate. Under the Advisory Agreement, the Adviser has agreed to pay all expenses of the Funds except for: the fee paid to the Adviser pursuant to the Advisory Agreement, interest charges on any borrowings, dividends, and other expenses on securities sold short, 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 (12b-1) fees and expenses. Defiance Quantum ETF pays the Adviser 0.40% at an annual rate based on the Fund’s average daily net assets. Defiance Next Gen Connectivity ETF pays the Adviser 0.30% at an annual rate based on the Fund’s average daily net assets. Defiance Nasdaq Junior Biotechnology ETF and Defiance Next Gen SPAC Derived ETF each pay the Adviser 0.45% at an annual rate based on the Funds’ average daily net assets.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services (“Fund Services” or “Administrator”), acts as the Funds’ Administrator and, in that capacity, performs various administrative and accounting services for the Funds. The Administrator prepares various federal and state regulatory filings, reports and returns for the Funds, including regulatory compliance monitoring and financial reporting; prepares reports and materials to be supplied to the Board and monitors the activities of the Funds’ Custodian, transfer agent and fund accountant. Fund Services also serves as the transfer agent and fund accountant to the Funds. U.S. Bank N.A. (the “Custodian”), an affiliate of Fund Services, serves as the Funds’ Custodian.

The Custodian acts as the securities lending agent (the “Securities Lending Agent”) for Defiance Quantum ETF and Defiance Next Gen Connectivity ETF.

A Trustee and all officers of the Trust are affiliated with the Administrator and Custodian.

#### NOTE 4 – SECURITIES LENDING

Defiance Quantum ETF and Defiance Next Gen Connectivity ETF may lend up to 33⅓ percent of the value of the securities in their portfolios to brokers, dealers and financial institutions (but not individuals) under terms of participation in a securities lending program administered by the Securities Lending Agent. The securities lending agreement requires that loans are collateralized at all times in an amount equal to at least 102% of the value of any domestic loaned securities at the time of the loan plus accrued interest. The use of loans of foreign securities, which are denominated and payable in U.S. dollars, shall be collateralized in an amount equal to 105% of the value of any loaned securities at the time of the loan plus accrued interest. The Funds receive compensation in the form of fees and earn interest on the cash collateral. The amount of fees depends on a number of factors including the type of security and length of the loan. The Funds continue to receive interest payments or dividends on the securities loaned during the borrowing period. Gain or loss in the value of securities loaned that may occur during the term of the loan will be for the account of the Funds. The Funds have the right under the terms of the securities lending agreements to recall the securities from the borrower on demand.

The securities lending agreement provides that, in the event of a borrower’s material default, the Securities Lending Agent shall take all actions the Securities Lending Agent deems appropriate to liquidate the collateral, purchase replacement securities at the Securities Lending Agent’s expense, or pay the Fund an amount equal to the market value of the loaned securities, subject to certain limitations which are set forth in detail in the securities lending agreement between the Funds and the Securities Lending Agent.

As of the end of the current fiscal period, the Funds had loaned securities and received cash collateral for the loans. The cash collateral is invested by the Securities Lending Agent in accordance with the Trust approved investment guidelines. Those guidelines require the cash collateral to be invested in readily marketable, high quality, short-term obligations; however, such investments are subject to risk of payment delays or default on the part of the issuer or counterparty or otherwise may not generate sufficient interest to support the costs associated with securities lending. The Funds could also experience delays in recovering their securities and possible loss of income or value if the borrower fails to return the borrowed securities, although the Funds are indemnified from this risk by contract with the Securities Lending Agent.

## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020 (Continued)

As of the end of the current fiscal period, the values of the securities on loan and payable for collateral due to broker were as follows:

<u>Fund</u>	<u>Value of Securities on Loan</u>	<u>Payable for Collateral Received*</u>
Defiance Quantum ETF .....	\$ 10,682,019	\$ 10,941,311
Defiance Next Gen Connectivity ETF .....	112,623,888	115,053,198

\* The cash collateral received was invested in Mount Vernon Liquid Assets Portfolio, LLC as shown on the Schedules of Investments, a short-term investment portfolio with an overnight and continuous maturity. The investment objective is to seek to maximize current income to the extent consistent with the preservation of capital and liquidity and maintain a stable NAV of \$1.00 per unit.

The interest income earned by the Funds on the investment of cash collateral received from borrowers for the securities loaned to them ("Securities Lending Income") is reflected in the Funds' Statements of Operations. Fees and interest income earned on collateral investments and recognized by the Funds during the current fiscal period were as follows:

<u>Fund</u>	<u>Fees and Interest Earned</u>
Defiance Quantum ETF .....	\$ 2,418
Defiance Next Gen Connectivity ETF .....	230,901

Due to the absence of a master netting agreement related to the Funds' participation in securities lending, no offsetting disclosures have been made on behalf of the Funds.

### NOTE 5 – PURCHASES AND SALES OF SECURITIES

During the current fiscal period, purchases and sales of securities by the Funds, excluding short-term securities and in-kind transactions, were as follows:

	<u>Purchases</u>	<u>Sales</u>
Defiance Quantum ETF .....	\$ 16,097,911	\$ 12,885,747
Defiance Next Gen Connectivity ETF .....	136,975,316	113,967,082
Defiance Nasdaq Junior Biotechnology ETF .....	3,332,958	3,394,345
Defiance Next Gen SPAC Derived ETF .....	15,479,049	15,411,964

During the current fiscal period, there were no purchases or sales of U.S. Government securities by the Funds.

During the current fiscal period, the in-kind security transactions associated with creations and redemptions were as follows:

	<u>In-Kind Purchases</u>	<u>In-Kind Sales</u>
Defiance Quantum ETF .....	\$ 29,705,915	\$ 11,356,484
Defiance Next Gen Connectivity ETF .....	590,050,187	22,614,906
Defiance Nasdaq Junior Biotechnology ETF .....	8,701,096	1,747,548
Defiance Next Gen SPAC Derived ETF .....	51,315,350	2,904,076



## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020 (Continued)

During the current fiscal period, the Funds paid brokerage commissions on trades of securities to Penserra Securities LLC, an affiliate of the Sub-Adviser, as follows:

Defiance Quantum ETF .....	\$	444
Defiance Next Gen Connectivity ETF .....		3,047
Defiance Nasdaq Junior Biotechnology ETF .....		—
Defiance Next Gen SPAC Derived ETF .....		—

### NOTE 6 – INCOME TAX INFORMATION

The components of distributable earnings (accumulated deficit) and cost basis of investments for federal income tax purposes at December 31, 2020 were as follows:

	Defiance Quantum ETF	Defiance Next Gen Connectivity ETF	Defiance Nasdaq Junior Biotechnology ETF	Defiance Next Gen SPAC Derived ETF
Tax cost of investments .....	\$ 55,705,572	\$ 875,012,045	\$ 7,704,242	\$ 49,126,497
Gross tax unrealized appreciation .....	\$ 11,792,037	\$ 145,775,572	\$ 1,345,705	\$ 5,222,007
Gross tax unrealized depreciation .....	(702,029)	(16,296,737)	(445,667)	(3,579,903)
Net tax unrealized appreciation (depreciation) .....	11,090,008	129,478,835	900,038	1,642,104
Undistributed ordinary income .....	20,905	—	127,508	448,836
Undistributed long-term capital gain .....	99,820	—	—	—
Other accumulated gain (loss) .....	—	(4,955,916)	—	—
Distributable earnings (accumulated deficit) .....	\$ 11,210,733	\$ 124,522,919	\$ 1,027,546	\$ 2,090,940

The difference between the cost basis for financial statement and federal income tax purposes is due primarily to timing differences in recognizing wash sales and unrealized gains on investments in passive foreign investment companies.

For the fiscal year/period ended December 31, 2020, the Funds had no post-October capital losses and no late-year ordinary losses.

As of December 31, 2020, the Funds had the following capital loss carryforwards with no expiration date:

	Short-Term	Long-Term
Defiance Quantum ETF .....	\$ —	\$ —
Defiance Next Gen Connectivity ETF .....	1,839,504	3,116,412
Defiance Nasdaq Junior Biotechnology ETF .....	—	—
Defiance Next Gen SPAC Derived ETF .....	—	—

The tax character of distributions paid by the Funds during the fiscal period ended December 31, 2020, were as follows:

	Ordinary Income	Return of Capital
Defiance Quantum ETF .....	\$ 221,124	\$ —
Defiance Next Gen Connectivity ETF .....	5,446,296	407,082
Defiance Nasdaq Junior Biotechnology ETF .....	59,962	—
Defiance Next Gen SPAC Derived ETF .....	—	—

## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020 (Continued)

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The tax character of distributions paid by the Defiance Quantum ETF and Defiance Next Gen Connectivity ETF during the fiscal year/period ended December 31, 2019 was \$63,308 and \$938,468 of ordinary income, respectively.

#### NOTE 7 – SHARE TRANSACTIONS

Shares of Defiance Quantum ETF, Defiance Next Gen Connectivity ETF and Defiance Next Gen SPAC Derived ETF are listed and traded on the New York Stock Exchange Arca, Inc. (“NYSE Arca”). Shares of Defiance Nasdaq Junior Biotechnology ETF are listed and traded on The Nasdaq Stock Market, LLC. Market prices for the shares may be different from their NAV. The Funds issue and redeem shares on a continuous basis at NAV generally in blocks of shares, called “Creation Units.” The Funds generally issue Creation Units in blocks of 50,000 shares. 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. Except when aggregated in Creation Units, shares are not redeemable securities of the Funds. Creation Units may only be purchased or redeemed by certain financial institutions (“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 participant and, in each case, must have executed a Participant Agreement with the Distributor. Most retail investors do not qualify as Authorized Participants nor have the resources to buy and sell whole Creation Units. Therefore, they are unable to purchase or redeem shares directly from the Funds. Rather, most retail investors may purchase shares in the secondary market with the assistance of a broker and are subject to customary brokerage commissions or fees.

The Funds each currently offer one class of shares, which has no front-end sales load, no deferred sales charge, and no redemption fee. A fixed transaction fee is imposed for the transfer and other transaction costs associated with the purchase or sale of Creation Units. The standard fixed transaction fee for the Funds is \$500, payable to the Custodian. The fixed transaction fee may be waived on certain orders if the Funds’ Custodian has determined to waive some or all of the costs associated with the order or another party, such as the Adviser, has agreed to pay such fee. In addition, a variable fee may be charged on all cash transactions or substitutes for Creation Units of up to a maximum of 2% of the value of the Creation Units subject to the transaction. Variable fees are imposed to compensate the Funds for transaction costs associated with the cash transactions. Variable fees received by the Funds, if any, are displayed in the capital shares transactions section of the Statements of Changes in Net Assets. The Funds may issue an unlimited number of shares of beneficial interest, with no par value. All shares of the Funds have equal rights and privileges.

#### NOTE 8 – PRINCIPAL RISKS

*Covid-19 Risk.* The recent global outbreak of COVID-19 has disrupted economic markets and the prolonged economic impact is uncertain. The operational and financial performance of the issuers of securities in which the Funds invest depends on future developments, including the duration and spread of the outbreak, and such uncertainty may in turn impact the value of the Funds’ investments.

*Sector Risk.* To the extent that a Fund invests more heavily in particular sectors of the economy, its performance will be especially sensitive to developments that significantly affect those sectors.

*Information Technology Sector Risk.* (Defiance Quantum ETF) The Fund is generally expected to invest significantly in companies in the information technology sector, including the semiconductor industry, and therefore the performance of the Fund could be negatively impacted by events affecting this sector. Market or economic factors impacting information technology companies and companies that rely heavily on technological advances could have a significant effect on the value of the Fund’s investments. The value of stocks of information technology companies and companies that rely heavily on technology is particularly vulnerable to rapid changes in technology product cycles, rapid product obsolescence, government regulation and competition, both domestically and internationally, including competition from foreign competitors with lower production costs. Stocks of information technology companies and companies that rely heavily on technology, especially those of smaller, less-seasoned companies, tend to be more volatile than the overall market. Information technology companies are heavily dependent on patent and intellectual property rights, the loss or impairment of which may adversely affect profitability. Information technology companies and companies that rely heavily on technology may also be prone to operational and information security risks resulting from cyber-attacks and/or technological malfunctions.

## Defiance ETFs

### NOTES TO FINANCIAL STATEMENTS

December 31, 2020 (Continued)

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*5G Investment Risk.* (Defiance Next Gen Connectivity ETF) Companies across a wide variety of industries, primarily in the technology sector, are exploring the possible applications of 5G technologies. The extent of such technologies' versatility has not yet been fully explored. Consequently, the Fund's holdings may include equity securities of operating companies that focus on or have exposure to a wide variety of industries, and the economic fortunes of certain companies held by the Fund may not be significantly tied to such technologies. Currently, there are few public companies for which 5G technologies represent an attributable and significant revenue or profit stream, and such technologies may not ultimately have a material effect on the economic returns of companies in which the Fund invests.

*Biotechnology Investment Risk.* (Defiance Nasdaq Junior Biotechnology ETF) The success of biotechnology companies is highly dependent on the development, procurement and/or marketing of drugs. The values of biotechnology companies are also dependent on the development, protection and exploitation of intellectual property rights and other proprietary information, and the profitability of biotechnology companies may be affected significantly by such things as the expiration of patents or the loss of, or the inability to enforce, intellectual property rights. The research and development and other costs associated with developing or procuring new drugs, products or technologies and the related intellectual property rights can be significant, and the results of such research and expenditures are unpredictable and may not necessarily lead to commercially successful products. Governmental regulation may delay or inhibit the release of new products, and the process for obtaining regulatory approval for products is long, costly, and unpredictable. Biotechnology companies may be adversely affected by government regulation and changes in reimbursement rates. A biotechnology company's valuation can often be based largely on the potential or actual performance of a limited number of products.

*Associated Risks of SPAC-Derived Companies.* (Defiance Next Gen SPAC Derived ETF) The Fund invests in companies that are derived from a SPAC. These companies may be unseasoned and lack a trading history, a track record of reporting to investors, and widely available research coverage. SPAC-derived companies are thus often subject to extreme price volatility and speculative trading. These stocks may have above-average price appreciation in connection with a potential business combination with a SPAC prior to inclusion in the Index. The price of stocks included in the Index may not continue to appreciate and the performance of these stocks may not replicate the performance exhibited in the past. In addition, SPAC-derived companies may share similar illiquidity risks of private equity and venture capital. The free float shares held by the public in a SPAC-derived company are typically a small percentage of the market capitalization. The ownership of many SPAC-derived companies often includes large holdings by venture capital and private equity investors who seek to sell their shares in the public market in the months following a business combination transaction when shares restricted by lock.

## Defiance ETFs

### REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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To the Shareholders of Defiance ETFs and  
Board of Trustees of ETF Series Solutions

#### Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Defiance ETFs comprising the funds listed below (the "Funds"), each a series of ETF Series Solutions, as of December 31, 2020, the related statements of operations, the statements of changes in net assets, the related notes, and the financial highlights for each of the periods indicated below (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of December 31, 2020, the results of their operations, the changes in net assets, and the financial highlights for each of the periods indicated below in conformity with accounting principles generally accepted in the United States of America.

Fund Name	Statements of Operations	Statements of Changes in Net Assets	Financial Highlights
Defiance Quantum ETF	For the year ended December 31, 2020	For the years ended December 31, 2020 and 2019	For the years ended December 31, 2020, 2019, and for the period from September 4, 2018 (commencement of operations) through December 31, 2018
Defiance Next Gen Connectivity ETF	For the year ended December 31, 2020	For the year ended December 31, 2020 and for the period from March 4, 2019 (commencement of operations) through December 31, 2019	
Defiance Nasdaq Junior Biotechnology ETF	For the period from August 3, 2020 (commencement of operations) through December 31, 2020		
Defiance Next Gen SPAC Derived ETF	For the period from September 30, 2020 (commencement of operations) through December 31, 2020		

#### Basis for Opinion

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

## Defiance ETFs

### REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

(Continued)

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Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2020, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Funds' auditor since 2018.

*Cohen & Company, Ltd.*

COHEN & COMPANY, LTD.  
Milwaukee, Wisconsin  
February 26, 2021

## Defiance ETFs

### TRUSTEES AND OFFICERS

(Unaudited)

Additional information about each Trustee of the Trust is set forth below. The address of each Trustee of the Trust is c/o U.S. Bank Global Fund Services, 615 E. Michigan Street, Milwaukee, WI 53202.

Name and Year of Birth	Position Held with the Trust	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Directorships Held by Trustee During Past 5 Years
<b>Independent Trustees</b>					
Leonard M. Rush, CPA Born: 1946	Lead Independent Trustee and Audit Committee Chairman	Indefinite term; since 2012	Retired; formerly Chief Financial Officer, Robert W. Baird & Co. Incorporated (wealth management firm) (2000–2011).	47	Independent Trustee, Managed Portfolio Series (39 portfolios) (since 2011).
David A. Massart Born: 1967	Trustee	Indefinite term; since 2012	Co-Founder, President, and Chief Investment Strategist, Next Generation Wealth Management, Inc. (since 2005).	47	Independent Trustee, Managed Portfolio Series (39 portfolios) (since 2011).
Janet D. Olsen Born: 1956	Trustee	Indefinite term; since 2018	Retired; formerly Managing Director and General Counsel, Artisan Partners Limited Partnership (investment adviser) (2000–2013); Executive Vice President and General Counsel, Artisan Partners Asset Management Inc. (2012–2013); Vice President and General Counsel, Artisan Funds, Inc. (investment company) (2001–2012).	47	Independent Trustee, PPM Funds (9 portfolios) (since 2018).
<b>Interested Trustee</b>					
Michael A. Castino Born: 1967	Trustee and Chairman	Indefinite term; Trustee since 2014; Chairman since 2013	Senior Vice President, U.S. Bancorp Fund Services, LLC (since 2013); Managing Director of Index Services, Zacks Investment Management (2011–2013).	47	None

## Defiance ETFs

### TRUSTEES AND OFFICERS

(Unaudited) (Continued)

The officers of the Trust conduct and supervise its daily business. The address of each officer of the Trust is c/o U.S. Bank Global Fund Services, 615 E. Michigan Street, Milwaukee, WI 53202. Additional information about the Trust's officers is as follows:

Name and Year of Birth	Position(s) Held with the Trust	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years
<b>Principal Officers of the Trust</b>			
Kristina R. Nelson Born: 1982	President	Indefinite term; since 2019	Senior Vice President, U.S. Bancorp Fund Services, LLC (since 2020); Vice President, U.S. Bancorp Fund Services, LLC (2014–2020); Assistant Vice President, U.S. Bancorp Fund Services, LLC (2013–2014).
Michael D. Barolsky Born: 1981	Vice President and Secretary	Indefinite term; since 2014 (other roles since 2013)	Senior Vice President, U.S. Bancorp Fund Services, LLC (since 2019); Vice President, U.S. Bancorp Fund Services, LLC (2012–2019); Associate, Thompson Hine LLP (law firm) (2008–2012).
James R. Butz Born: 1982	Chief Compliance Officer	Indefinite term; since 2015	Senior Vice President, U.S. Bancorp Fund Services, LLC (since 2015); Vice President, U.S. Bancorp Fund Services, LLC (2014–2015); Assistant Vice President, U.S. Bancorp Fund Services, LLC (2011–2014).
Kristen M. Weitzel, CPA Born: 1977	Treasurer	Indefinite term; since 2014 (other roles since 2013)	Vice President, U.S. Bancorp Fund Services, LLC (since 2015); Assistant Vice President, U.S. Bancorp Fund Services, LLC (2011–2015); Manager, PricewaterhouseCoopers LLP (accounting firm) (2005–2011).
Jessica L. Vorbeck Born: 1984	Assistant Treasurer	Indefinite term; since 2020	Officer, U.S. Bancorp Fund Services, LLC (since 2018; 2014–2017).
Elizabeth A. Winske Born: 1983	Assistant Treasurer	Indefinite term; since 2017	Vice President, U.S. Bancorp Fund Services, LLC (since 2020); Assistant Vice President, U.S. Bancorp Fund Services, LLC (2016–2020); Officer, U.S. Bancorp Fund Services, LLC (2012–2016).
Jason E. Shlensky Born: 1987	Assistant Treasurer	Indefinite term; since 2019	Assistant Vice President, U.S. Bancorp Fund Services, LLC (since 2019); Officer, U.S. Bancorp Fund Services, LLC (2014–2019).
Isabella K. Zoller Born: 1994	Assistant Secretary	Indefinite term; since 2020	Regulatory Administration Attorney, U.S. Bancorp Fund Services, LLC (since 2019), Regulatory Administration Intern, U.S. Bancorp Fund Services, LLC (2018–2019) and Law Student (2016–2019).

The Statement of Additional Information (“SAI”) includes additional information about the Trustees and is available without charge, upon request, by calling toll free at (800) 617-0004, or by accessing the SEC’s website at [www.sec.gov](http://www.sec.gov), or by accessing the Funds’ website at [www.defianceetfs.com](http://www.defianceetfs.com).

## Defiance ETFs

### EXPENSE EXAMPLES

For the Period Ended December 31, 2020 (Unaudited)

As a shareholder of the Funds you incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares, and (2) ongoing costs, including management fees and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period as indicated below in the Expense Example table.

#### Actual Expenses

The first line of the table provides information about actual account values based on actual returns and actual expenses. You may use the information in this line, 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 first line under the heading entitled "Expenses Paid During the Period" to estimate the expenses you paid on your account during this period.

#### Hypothetical Example for Comparison Purposes

The second line of the table provides information about hypothetical account values based on a hypothetical return and hypothetical expenses based on the Funds' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds' 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 the Funds 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, such as brokerage commissions paid on purchases and sales of Fund shares. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. If these transactional costs were included, your costs would have been higher.

#### Defiance Quantum ETF

	Beginning Account Value July 1, 2020	Ending Account Value December 31, 2020	Expenses Paid During the Period <sup>(1)</sup>
Actual .....	\$1,000.00	\$1,347.20	\$2.36
Hypothetical (5% annual return before expenses) .....	\$1,000.00	\$1,023.13	\$2.03

<sup>(1)</sup> The dollar amounts shown as expenses paid during the period are equal to the annualized expense ratio, 0.40%, multiplied by the average account value during the six-month period, multiplied by 184/366, to reflect the one-half year period.

#### Defiance Next Gen Connectivity ETF

	Beginning Account Value July 1, 2020	Ending Account Value December 31, 2020	Expenses Paid During the Period <sup>(2)</sup>
Actual .....	\$1,000.00	\$1,239.70	\$1.69
Hypothetical (5% annual return before expenses) .....	\$1,000.00	\$1,023.63	\$1.53

<sup>(2)</sup> The dollar amounts shown as expenses paid during the period are equal to the annualized expense ratio, 0.30%, multiplied by the average account value during the six-month period, multiplied by 184/366, to reflect the one-half year period.



## Defiance ETFs

### EXPENSE EXAMPLES

For the Period Ended December 31, 2020 (Continued)

#### Defiance Nasdaq Junior Biotechnology ETF

	Beginning Account Value August 3, 2020 <sup>(3)</sup>	Ending Account Value December 31, 2020	Expenses Paid During the Period
Actual .....	\$1,000.00	\$1,389.00	\$2.20 <sup>(4)</sup>
Hypothetical (5% annual return before expenses) .....	\$1,000.00	\$1,022.87	\$2.29 <sup>(5)</sup>

<sup>(3)</sup> Fund commencement.

<sup>(4)</sup> The dollar amount shown as expenses paid during the period is equal to the annualized expense ratio, 0.45%, multiplied by the average account value during the period, multiplied by 150/366, to reflect the period.

<sup>(5)</sup> The dollar amount shown as expenses paid during the period is equal to the annualized expense ratio, 0.45%, multiplied by the average account value during the period, multiplied by 184/366, to reflect the one-half year period.

#### Defiance Next Gen SPAC Derived ETF

	Beginning Account Value September 30, 2020 <sup>(6)</sup>	Ending Account Value December 31, 2020	Expenses Paid During the Period
Actual .....	\$1,000.00	\$1,132.90	\$1.21 <sup>(7)</sup>
Hypothetical (5% annual return before expenses) .....	\$1,000.00	\$1,022.87	\$2.29 <sup>(8)</sup>

<sup>(6)</sup> Fund commencement.

<sup>(7)</sup> The dollar amount shown as expenses paid during the period is equal to the annualized expense ratio, 0.45%, multiplied by the average account value during the period, multiplied by 92/366, to reflect the period.

<sup>(8)</sup> The dollar amount shown as expenses paid during the period is equal to the annualized expense ratio, 0.45%, multiplied by the average account value during the period, multiplied by 184/366, to reflect the one-half year period.

## Defiance ETFs

### REVIEW OF LIQUIDITY RISK MANAGEMENT PROGRAM

(Unaudited)

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Pursuant to Rule 22e-4 under the Investment Company Act of 1940, the Trust, on behalf of the series of the Trust covered by this shareholder report (the “Series”), has adopted a liquidity risk management program to govern the Trust’s approach to managing liquidity risk. Rule 22e-4 seeks to promote effective liquidity risk management, thereby reducing the risk that a fund will be unable to meet its redemption obligations and mitigating dilution of the interests of fund shareholders. The Trust’s liquidity risk management program is tailored to reflect the Series’ particular risks, but not to eliminate all adverse impacts of liquidity risk, which would be incompatible with the nature of such Series.

The investment adviser to the Series has adopted and implemented its own written liquidity risk management program (the “Program”) tailored specifically to assess and manage the liquidity risk of the Series.

At a recent meeting of the Board of Trustees of the Trust, the Trustees received a report pertaining to the operation, adequacy, and effectiveness of implementation of the Program for the period ended December 31, 2019. The report concluded that the Program is reasonably designed to assess and manage the Series’ liquidity risk and has operated adequately and effectively to manage such risk. The report reflected that there were no liquidity events that impacted the Series’ ability to timely meet redemptions without dilution to existing shareholders. The report further noted that no material changes have been made to the Program since its implementation.

There can be no assurance that the Program will achieve its objectives in the future. Please refer to the prospectus for more information regarding the Series’ exposure to liquidity risk and other principal risks to which an investment in the Series may be subject.

**Defiance Next Gen Connectivity ETF**  
**Defiance Quantum ETF**  
**Defiance Nasdaq Junior Biotechnology ETF**

**APPROVAL OF ADVISORY AND SUB-ADVISORY AGREEMENTS AND BOARD CONSIDERATIONS**

(Unaudited)

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Pursuant to Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), at a meeting held on July 28-29, 2020 (the “Meeting”), the Board of Trustees (the “Board”) of ETF Series Solutions (the “Trust”) considered the approval of the continuation of the Investment Advisory Agreement (the “Advisory Agreement”) between Defiance ETFs, LLC, (the “Adviser”), and the Trust, on behalf of the Defiance Next Gen Connectivity ETF, Defiance Quantum ETF, and Defiance Nasdaq Junior Biotechnology ETF (each, a “Fund”, and collectively, the “Funds”).

Prior to the Meeting, the Board, including 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”), reviewed written materials from the Adviser (the “Materials”) regarding, among other things: (i) the nature, extent, and quality of the services provided by the Adviser; (ii) the historical performance of each Fund; (iii) the cost of the services provided and the profits realized by the Adviser from services rendered to the Funds; (iv) comparative fee and expense data for each Fund and other investment companies with similar investment objectives; (v) the extent to which the advisory fee for each Fund reflects economies of scale shared with the applicable Fund shareholders; and (vi) other factors the Board deemed to be relevant.

The Board also considered that the Adviser, along with other service providers of the Funds, presented written information to help the Board evaluate the Adviser’s fees and other aspects of the Agreement. Additionally, representatives from the Adviser provided an oral overview of each Fund’s strategy, the services provided to the Funds by the Adviser, and additional information about the Adviser’s personnel and operations. The Board then discussed the written materials and oral presentation that it had received and any other information that the Board received at the Meeting and deliberated on the approval of the Agreement in light of this information. In its deliberations, the Board did not identify any single piece of information discussed below that was all-important or controlling.

**Approval of the Continuation of the Advisory Agreement with the Adviser**

*Nature, Extent, and Quality of Services Provided.* The Trustees considered the scope of services provided under the Advisory Agreement, noting that the Adviser would continue to provide investment management services to the Funds. In considering the nature, extent, and quality of the services provided by the Adviser, the Board considered the quality of the Adviser’s compliance infrastructure and past reports from the Trust’s Chief Compliance Officer. The Board also considered its previous experience with the Adviser providing investment management services to the Funds. The Board noted that it had received a copy of the Adviser’s registration form (“Form ADV”), as well as the response of the Adviser to a detailed series of questions which included, among other things, information about the background and experience of the firm’s key personnel, the firm’s cybersecurity policy, and the services provided by the Adviser.

The Board also considered other services currently provided by the Adviser to the Funds, such as monitoring adherence to each Fund’s investment restrictions, oversight of the sub-adviser, monitoring compliance with various policies and procedures and with applicable securities regulations, and monitoring the extent to which each Fund achieved its investment objective as a passively-managed fund. The Board further considered the oral information provided by the Adviser with respect to the impact of the COVID-19 pandemic on the Adviser’s operations.

*Historical Performance.* The Board noted that it had received information regarding each Fund’s performance for various time periods in the Materials and primarily considered each Fund’s performance for periods ended March 31, 2020, unless otherwise indicated below. Because each Fund is designed to track the performance of an index, the Board considered the extent to which each Fund tracked its index before fees and expenses.

Defiance Next Gen Connectivity ETF: The Board noted that, for the one-year and since inception periods, the Fund’s performance was generally in line with that of its underlying index before fees and expenses, but had trailed the performance of the S&P 500 Index. The Board further noted that, for the one-year period ended May 31, 2020, the Fund had underperformed the median for funds in the universe of U.S. Technology ETFs and U.S. Communications ETFs as reported by Morningstar (the “Category Peer Group”), but significantly outperformed the S&P 500 Index. The Board also noted that the Category Peer Group was comprised of a broad variety of thematic index funds covering a variety of industries, including cloud computing, semiconductors, cybersecurity, financial technologies, and telecommunications, and thus, the Category Peer Group may not allow for an apt comparison by which to judge the Fund’s performance and draw meaningful conclusions.

**Defiance Next Gen Connectivity ETF**  
**Defiance Quantum ETF**  
**Defiance Nasdaq Junior Biotechnology ETF**

**APPROVAL OF ADVISORY AND SUB-ADVISORY AGREEMENTS AND BOARD CONSIDERATIONS**  
(Unaudited) (Continued)

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Defiance Quantum ETF: The Board noted that, for the one-year and since inception periods, the Fund's performance was generally in line with that of its underlying index before fees and expenses, and outperformed the S&P 500 Index. The Board further noted that, for the one-year period ended May 31, 2020, the Fund had outperformed the median for funds in the universe of U.S. Technology ETFs as reported by Morningstar (the "Category Peer Group"), and significantly outperformed the S&P 500 Index.

Defiance Nasdaq Junior Biotechnology ETF: The Board noted that the Fund had not yet commenced operations and concluded that the performance of the Fund, thus, was not a relevant factor in their deliberations.

*Cost of Services Provided and Economies of Scale.* The Board reviewed the expense ratio for each of the Funds and compared each Fund's expense ratio to its respective Category Peer Group and to the most direct competitors as identified by the Adviser (the "Selected Peer Group") as follows:

Defiance Next Gen Connectivity ETF: The Board noted that the expense ratio for the Fund was significantly lower than the median of its Category Peer Group. The Board further noted that the Fund's expense ratio was significantly lower than the expense ratio for each fund in the Fund's Selected Peer Group.

Defiance Quantum ETF: The Board noted that the expense ratio for the Fund was significantly lower than the median of its Category Peer Group. The Board further noted that the Fund's expense ratio was lower than the expense ratio for each fund in the Fund's Selected Peer Group.

Defiance Nasdaq Junior Biotechnology ETF: The Board noted that the proposed expense ratio for the Fund was lower than the median of its Category Peer Group. The Board further noted that the Fund's proposed expense ratio was within the range of expense ratios for the Fund's Selected Peer Group.

The Board took into consideration that the advisory fee for each Fund was a "unified fee," meaning the Fund paid no expenses other than the advisory fee and certain other costs such as interest, brokerage, acquired fund fees and expenses, extraordinary expenses and, to the extent it is implemented, fees pursuant to a Distribution and/or Shareholder Servicing (12b-1) Plan. The Board noted that the Adviser continued to be responsible for compensating the Trust's other service providers and paying each Fund's other expenses out of its own fee and resources. The Board also evaluated the compensation and benefits received by the Adviser from its relationship with the Funds, taking into account analyses of the Adviser's profitability with respect to each Fund.

The Board expressed the view that it currently appeared that the Adviser might realize economies of scale in managing the Funds as assets grow in size. The Board further determined that, based on the amount and structure of each Fund's unitary fee, such economies of scale would be shared with the applicable Fund shareholders, although the Board intends to monitor fees as each Fund grows in size and assess whether fee breakpoints may be warranted.

*Conclusion.* No single factor was determinative of the Board's decision to approve the continuation of the Advisory Agreement; 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 a majority of the Independent Trustees, determined that the Advisory Agreement, including the compensation payable under the agreement, was fair and reasonable to each Fund. The Board, including a majority of the Independent Trustees, therefore determined that the approval of the continuation of the Advisory Agreement was in the best interests of each Fund and its respective shareholders.

## Defiance Next Gen SPAC Derived ETF

### APPROVAL OF ADVISORY AND SUB-ADVISORY AGREEMENTS AND BOARD CONSIDERATIONS

(Unaudited)

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Pursuant to Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), at a meeting held on July 28-29, 2020 (the “Meeting”), the Board of Trustees (the “Board”) of ETF Series Solutions (the “Trust”) considered the approval of the Investment Advisory Agreement (the “Advisory Agreement”) between Defiance ETFs, LLC (the “Adviser”) and the Trust, on behalf of the Defiance Next Gen SPAC Derived ETF (the “Fund”) and the Investment Sub-Advisory Agreement (the “Sub-Advisory Agreement”) (together, the “Agreements”) among the Adviser, the Trust, on behalf of the Fund, and Penserra Capital Management LLC (the “Sub-Adviser”).

Prior to the Meeting, the Board, including 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”), reviewed written materials from the Adviser and Sub-Adviser (the “Materials”) regarding, among other things: (i) the nature, extent, and quality of the services to be provided by the Adviser and Sub-Adviser; (ii) the historical performance of the Fund’s strategy; (iii) the cost of the services to be provided and the profits expected to be realized by the Adviser, Sub-Adviser, or their affiliates from services rendered to the Fund; (iv) comparative fee and expense data for the Fund and other investment companies with similar investment objectives; (v) the extent to which economies of scale might be realized as the Fund grows and whether the advisory fee for the Fund reflects these economies of scale for the benefit of the Fund; and (vi) any other financial benefits to the Adviser, Sub-Adviser, and their affiliates resulting from services rendered to the Fund.

The Board also considered that the Adviser and Sub-Adviser, along with other service providers of the Fund, had provided written updates on the firm over the course of the year with respect to its role as adviser and sub-adviser to other series in the Trust, and the Board considered that information alongside the Materials in its evaluation of Adviser’s and Sub-Adviser’s fees and other aspects of the Agreements. The Board then discussed the Materials, the Adviser’s oral presentation, and any other information that the Board received at the Meeting, and deliberated on the approval of the Agreements in light of this information. In its deliberations, the Board did not identify any single piece of information discussed below that was all-important or controlling.

#### **Approval of the Advisory Agreement with the Adviser**

*Nature, Extent, and Quality of Services to be Provided.* The Trustees considered the scope of services to be provided under the Advisory Agreement, noting that the Adviser will be providing investment management services to the Fund. In considering the nature, extent, and quality of the services to be provided by the Adviser, the Board considered the quality of the Adviser’s compliance program and past reports from the Trust’s CCO regarding his review of the Adviser’s compliance program, as well as the Board’s experience with the Adviser as the investment adviser to other series of the Trust. The Board noted that it had received a copy of the Adviser’s registration form (“Form ADV”), as well as the response of the Adviser to a detailed series of questions that included, among other things, information about the background and experience of the firm’s key personnel, the services to be provided by the Adviser, and the ownership structure of the firm.

The Board also considered other services to be provided to the Fund, such as monitoring adherence to the Fund’s investment restrictions, oversight of the Sub-Adviser, monitoring compliance with various Fund policies and with applicable securities regulations, and monitoring the extent to which the Fund achieves its investment objective as a passively-managed fund. The Board further considered the oral information provided by the Adviser with respect to the impact of the COVID-19 pandemic on the Adviser’s operations.

*Historical Performance.* The Board noted that the Fund had not yet commenced operations and concluded that the performance of the Fund, thus, was not a relevant factor in their deliberations.

*Cost of Services to be Provided and Economies of Scale.* The Board reviewed the proposed expense ratio for the Fund and compared it to the universe of U.S. Mid-Cap Growth ETFs as reported by Morningstar (the “Category Peer Group”). The Board noted that the expense ratio for the Fund was in line with the median of the Category Peer Group and lower than that of the most direct competitor to the Fund as identified by the Adviser. The Board noted that the Fund would be the first ETF specifically focused on special purpose acquisition companies, and consequently, no peer funds existed with a substantially similar investment strategy. The Board determined that the Fund’s anticipated expense ratio, including the proposed advisory fee, was reasonable given the nature of the investment strategy as a passively-managed fund.

The Board took into consideration that the advisory fee for the Fund was a “unified fee,” meaning the Fund would pay no expenses other than the advisory fee and certain other costs such as interest, brokerage, acquired fund fees and expenses, extraordinary expenses and, to the extent it is implemented, fees pursuant to a Distribution and/or Shareholder Servicing

## Defiance Next Gen SPAC Derived ETF

### APPROVAL OF ADVISORY AND SUB-ADVISORY AGREEMENTS AND BOARD CONSIDERATIONS

(Unaudited) (Continued)

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(12b- 1) Plan. The Board noted that the Adviser would be responsible for compensating the Trust's other service providers and paying the Fund's other expenses out of its own fee and resources. The Board also evaluated the compensation and benefits expected to be received by the Adviser from its relationship with the Fund, taking into account an analysis of the Adviser's anticipated profitability with respect to the Fund and the financial resources the Adviser had committed and proposed to commit to its business. The Board determined such analyses were not a significant factor given that the Fund had not yet commenced operations and consequently, the future size of the Fund and the Adviser's future profitability were generally unpredictable. The Board expressed the view that the Adviser might realize economies of scale in managing the Fund as assets grow in size. The Board further determined that, based on the amount and structure of the Fund's unitary fee, such economies of scale would be shared with Fund shareholders in the initial period of the Fund's operations, although the Board intends to monitor fees as the Fund grows in size and assess whether fee breakpoints may be warranted.

*Conclusion.* No single factor was determinative of the Board's decision to approve the Advisory Agreement; 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 a majority of the Independent Trustees, determined that the Advisory Agreement, including the compensation payable under the agreement, was fair and reasonable to the Fund. The Board, including a majority of the Independent Trustees, therefore determined that the approval of the Advisory Agreement was in the best interests of the Fund and its shareholders.

#### **Approval of the Sub-Advisory Agreement with the Sub-Adviser**

*Nature, Extent, and Quality of Services to be Provided.* The Board considered the scope of services to be provided to the Fund under the Sub-Advisory Agreement, noting that the Sub-Adviser would provide investment management services to the Fund. The Board noted the responsibilities that the Sub-Adviser would have as the Fund's investment sub-adviser, including: responsibility for the general management of the day-to-day investment and reinvestment of the assets of the Fund; determining the daily baskets of deposit securities and cash components; executing portfolio security trades for purchases and redemptions of the Fund's shares conducted on a cash-in-lieu basis; oversight of general portfolio compliance with relevant law; responsibility for daily monitoring of tracking error and quarterly reporting to the Board; and implementation of Board directives as they relate to the Fund.

In considering the nature, extent, and quality of the services to be provided by the Sub-Adviser, the Board considered reports of the Trust's CCO with respect to the Sub-Adviser's compliance program and its experience providing investment management services to other ETFs, including other series of the Trust. The Trustees further noted that they had received and reviewed the Materials with regard to the Sub-Adviser and they had reviewed additional detailed information about the Sub-Adviser at previous Board meetings. The Board also considered the Sub-Adviser's resources and capacity with respect to portfolio management, compliance, and operations given the number of funds for which it would be sub-advising.

*Historical Performance.* The Board noted that the Fund had not yet commenced operations. Consequently, the Board determined that performance was not a relevant consideration with respect to the Fund. The Board also considered that, because the investment objective of the Fund is to track the performance of an index, the Board in the future would focus on the extent to which the Fund achieved its investment objective as a passively-managed fund.

*Costs of Services Provided and Economies of Scale.* The Board reviewed the advisory fee to be paid by the Adviser to the Sub-Adviser for its services to the Fund. The Board considered that the fees to be paid to the Sub-Adviser would be paid by the Adviser from the fee the Adviser received from the Fund and noted that the fee reflected an arm's-length negotiation between the Adviser and the Sub-Adviser. The Board further determined the fee reflected an appropriate allocation of the advisory fee paid to each adviser given the work performed by each firm and noted that the fees were generally in line with those charged by the Sub-Adviser in connection with other similar series of the Trust and other funds managed by the Sub-Adviser. The Board noted that the Sub-Adviser has an affiliated broker-dealer that was expected to execute some or all of the brokerage transactions for the Fund, and consequently, the Sub-Adviser would indirectly benefit from commissions paid to such affiliated broker-dealer. The Board also evaluated the compensation and benefits expected to be received by the Sub-Adviser from its relationship with the Fund, taking into account an analysis of the Sub-Adviser's profitability with respect to the Fund.

The Board expressed the view that it currently appeared that the Sub-Adviser might realize economies of scale in managing the Fund as assets grow in size and noted that the proposed fee schedule includes breakpoints as assets grow in size. The Board further noted that because the Fund pay the Adviser a unified fee, any benefits from the breakpoints in the sub-advisory fee

## Defiance Next Gen SPAC Derived ETF

### APPROVAL OF ADVISORY AND SUB-ADVISORY AGREEMENTS AND BOARD CONSIDERATIONS

(Unaudited) (Continued)

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schedule would accrue to the Adviser, rather than the Fund's respective shareholders. Consequently, the Board determined that it would monitor fees as the Fund's assets grow to determine whether economies of scale were being effectively shared with the Fund and its shareholders.

*Conclusion.* No single factor was determinative of the Board's decision to approve the Sub-Advisory Agreement; 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 a majority of the Independent Trustees, determined that the Sub-Advisory Agreement, including the compensation payable under the agreement, was fair and reasonable to the Fund. The Board, including a majority of the Independent Trustees, therefore determined that the approval of the Sub-Advisory Agreement was in the best interests of the Fund and its shareholders.

## Defiance Nasdaq Junior Biotechnology ETF

### APPROVAL OF ADVISORY AND SUB-ADVISORY AGREEMENT & BOARD CONSIDERATIONS

(Unaudited)

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Pursuant to Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), at a meeting held on January 9-10, 2019 (the “Meeting”), the Board of Trustees (the “Board”) of ETF Series Solutions (the “Trust”) considered the approval of the Investment Sub-Advisory Agreement (the “Agreement”) between Defiance ETFs, LLC (the “Adviser” or “Defiance”), the Trust, on behalf of the Defiance Nasdaq Junior Biotechnology ETF (the “Fund”), and Penserra Capital Management, LLC (the “Sub-Adviser” or “Penserra”).

Prior to the Meeting, the Board, including 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”), reviewed written materials provided by the Sub-Adviser (the “Materials”) regarding, among other things: (i) the nature, extent, and quality of the services to be provided by the Sub-Adviser; (ii) the historical performance of the Fund; (iii) the cost of the services to be provided and the profits expected to be realized by the Sub-Adviser and its affiliates from services rendered to the Fund; (iv) comparative fee and expense data for the Fund and other investment companies with similar investment objectives; (v) the extent to which economies of scale are expected to be realized as the Fund grows and whether the advisory fee for the Fund reflects these economies of scale for the benefit of the Fund; and (vi) any other financial benefits to the Sub-Adviser and its affiliates resulting from services to be rendered to the Fund.

The Board also considered that the Sub-Adviser, along with other service providers of the Fund, had provided written information and updates on the Sub-Adviser over the course of the year, and the Board considered that information as part of the Materials in its evaluation of the firm’s fees and other aspects of the Agreement. The Board then discussed the Materials and any other information that the Board received at the Meeting, and deliberated on the approval of the Agreement in light of this information. In its deliberations, the Board did not identify any single piece of information discussed below that was all-important or controlling.

#### **Approval of the Sub-Advisory Agreement with the Sub-Adviser**

*Nature, Extent, and Quality of Services to be Provided.* The Board considered the scope of services to be provided to the Fund under the Sub-Advisory Agreement, noting that Penserra would provide investment management services to the Fund, as well as other series of the Trust. The Board noted the responsibilities that Penserra would have as the Fund’s investment sub-adviser, including: responsibility for the general management of the day-to-day investment and reinvestment of the assets of the Fund; determining the daily baskets of deposit securities and cash components; executing portfolio security trades for purchases and redemptions of the Fund’s shares conducted on a cash-in-lieu basis; oversight of general portfolio compliance with relevant law; responsibility for daily monitoring of tracking error and quarterly reporting to the Board; and implementation of Board directives as they relate to the Fund.

In considering the nature, extent, and quality of the services to be provided by Penserra, the Board considered reports of the Trust’s CCO with respect to Penserra’s compliance program and Penserra’s experience providing investment management services to other ETFs, including other series of the Trust. The Trustees further noted that they had received and reviewed the Materials with regard to Penserra and they had reviewed additional detailed information about Penserra at previous Board meetings. The Board also considered Penserra’s resources and capacity with respect to portfolio management, compliance, and operations given the number of funds for which it would be sub-advising.

*Historical Performance.* The Board noted that the Fund had not yet commenced operations. Consequently, the Board determined that performance was not a relevant consideration with respect to the Fund. The Board also considered that, because the investment objective of the Fund is to track the performance of an index, the Board in the future would focus on the extent to which the Fund achieved its investment objective as a passively-managed fund.

*Costs of Services Provided and Economies of Scale.* The Board reviewed the advisory fee to be paid by Defiance to Penserra for its services to the Fund. The Board considered the fees to be paid to Penserra would be paid by Defiance from the fee Defiance received from the Fund and noted that the fee reflected an arm’s-length negotiation between Defiance and Penserra based on the nature and expected size of the Fund. The Board further determined the fee reflected an appropriate allocation of the advisory fee paid to each adviser given the work performed by each firm and noted that the fees were generally in line with those charged by Penserra in connection with other similar series of the Trust and other funds managed by Penserra. The Board noted that Penserra has an affiliated broker-dealer that was expected to execute some or all of the brokerage transactions for the Fund, and consequently, Penserra would indirectly benefit from commissions paid to such affiliated broker-dealer. The Board also evaluated the compensation and benefits expected to be received by Penserra from its relationship with the Fund, taking into account an analysis of Penserra’s profitability with respect to the Fund.



## Defiance Nasdaq Junior Biotechnology ETF

### APPROVAL OF ADVISORY AND SUB-ADVISORY AGREEMENT & BOARD CONSIDERATIONS

(Unaudited) (Continued)

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*Conclusion.* No single factor was determinative of the Board's decision to approve the Sub-Advisory Agreement; 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 a majority of the Independent Trustees, determined that the Sub-Advisory Agreement, including the compensation payable under the agreement, was fair and reasonable to the Fund. The Board, including a majority of the Independent Trustees, therefore determined that the approval of the Sub-Advisory Agreement was in the best interests of the Fund and its shareholders.

## Defiance ETFs

### FEDERAL TAX INFORMATION

(Unaudited)

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For the fiscal year/period ended December 31, 2020, certain dividends paid by the Funds may be subject to a maximum rate of 23.8%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Defiance Quantum ETF .....	100.00%
Defiance Next Gen Connectivity ETF .....	99.88%
Defiance Nasdaq Junior Biotechnology ETF .....	0.98%
Defiance Next Gen SPAC Derived ETF .....	0.00%

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividend received deduction for the year/period ended December 31, 2020 was as follows:

Defiance Quantum ETF .....	90.24%
Defiance Next Gen Connectivity ETF .....	69.16%
Defiance Nasdaq Junior Biotechnology ETF .....	0.06%
Defiance Next Gen SPAC Derived ETF .....	0.00%

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871(k)(2)(C) for each Fund was as follows:

Defiance Quantum ETF .....	10.07%
Defiance Next Gen Connectivity ETF .....	0.00%
Defiance Nasdaq Junior Biotechnology ETF .....	100.00%
Defiance Next Gen SPAC Derived ETF .....	0.00%

### INFORMATION ABOUT PORTFOLIO HOLDINGS

(Unaudited)

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The Funds file their complete schedules of portfolio holdings for their first and third fiscal quarters with the SEC on Part F of Form N-PORT. The Funds' Part F of Form N-PORT is available without charge, upon request, by calling toll-free at (800) 617-0004 or by accessing the Funds' website at [www.defianceetfs.com](http://www.defianceetfs.com). Furthermore, you may obtain the Part F of Form N-PORT on the SEC's website at [www.sec.gov](http://www.sec.gov). Each Fund's portfolio holdings are posted on their website at [www.defianceetfs.com](http://www.defianceetfs.com) daily.

## Defiance ETFs

### INFORMATION ABOUT PROXY VOTING

(Unaudited)

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A description of the policies and procedures the Funds use to determine how to vote proxies relating to portfolio securities is provided in the SAI. The SAI is available without charge, upon request, by calling toll-free at (800) 617-0004, by accessing the SEC's website at [www.sec.gov](http://www.sec.gov), or by accessing the Funds' website at [www.defianceetfs.com](http://www.defianceetfs.com).

When available, information regarding how the Funds voted proxies relating to portfolio securities during the period ending June 30 is available by calling toll-free at (800) 617-0004 or by accessing the SEC's website at [www.sec.gov](http://www.sec.gov).

### FREQUENCY DISTRIBUTION OF PREMIUMS AND DISCOUNTS

(Unaudited)

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Information regarding how often shares of the Funds trade on the exchange at a price above (i.e., at a premium) or below (i.e., at a discount) the Funds' NAV is available, without charge, on the Funds' website at [www.defianceetfs.com](http://www.defianceetfs.com).

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***Sub-Adviser***

Penserra Capital Management LLC  
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Orinda, California 94563

***Index Provider (QTUM & FIVG)***

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d/b/a Bluestar Indexes  
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New York, New York 10019

***Index Provider (IBBJ)***

Nasdaq Global Indexes  
151 West 42nd Street  
New York, New York 10036

***Index Provider (SPAK)***

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**Defiance Quantum ETF**

Symbol – QTUM  
CUSIP – 26922A420

**Defiance Next Gen Connectivity ETF**

Symbol – FIVG  
CUSIP – 26922A289

**Defiance Nasdaq Junior Biotechnology ETF**

Symbol – IBBJ  
CUSIP – 26922A149

**Defiance Next Gen SPAC Derived ETF**

Symbol – SPAK  
CUSIP – 26922A204