

# EMQQ

## For Immediate Release

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**EMQQ, THE FIRST BROAD-BASED EMERGING MARKETS INTERNET  
AND ECOMMERCE ETF, HAS RECEIVED AN OVERALL  
3-YEAR, 5- STAR RATING FROM MORNINGSTAR\***

\*As of 01/31/2018 against 650 funds in the Diversified Emerging Market  
Category based on risk adjusted returns overall.

SAN FRANCISCO, (February 7, 2018) – EMQQ, the first broad-based emerging markets Internet and Ecommerce exchange traded fund (ETF), has received an overall and 3-year, 5-star rating from Morningstar for the period ending December 31, 2017, it was announced today by EMQQ Index, the designer of the index on which EMQQ is based. There were 650 Diversified Emerging Market Funds in the Morningstar universe as of 01/31/2018. In assigning its ratings, Morningstar using a quantitative assessment of a fund’s past performance, incorporating both return and risk.

“We are thrilled that Morningstar has decided to give EMQQ its top Five Star rating,” said Kevin Carter, co-founder and chief executive officer of EMQQ Index. “Since inception, we have believed the fund was positioned to benefit from a number of major, long-running economic trends, in particular the rapid growth of emerging market economies and the movement of much of that economic activity onto the Internet. Our goal is for these trends to continue for many years to come.”

EMQQ turned three years old on November 13, 2017. For the three-year period ending on that date, the fund returned an average of 14.92% annually, compared to 10.24% percent for the S&P 500 and 5.70% percent for the MSCI Emerging Markets Index.

EMQQ seeks to track, before fees and expenses, the performance of [EMQQ The Emerging Markets Internet and ECommerce Index](#), which requires that its constituents derive at least half of their revenue from Internet and Ecommerce businesses in emerging or frontier markets. The index is agnostic when it comes to exchange listing or company domicile; as long as a company generates more than half of its revenue in emerging markets, it is eligible for consideration for inclusion in the index. As of December 31, 2017 the top five country exposures were China (65.11%), South Korea (11.12%), Russia (9.8%) South Africa (6.44%), and Argentina (3.71%). India was sixth at 1.54%.

As of 12/31/2017

Total Return %	1-Month	3-Month	YTD	1-Year	3-Year	*Since Inception
EMQQ (Price)	3.19	5.69	68.2	68.2	19.54	14.34
EMQQ (NAV)	3.11	5.9	67.17	67.17	19.5	15.05
MSCI ACWI Ex USA NR USD (Price)	2.24	5	27.19	27.19	7.83	--
Diversified Emerging Mkts (NAV)	3.55	6.27	34.17	34.17	7.95	-
Rank in Category (NAV)	66	61	1	1	1	1

All periods greater than 1-Year are annualized. EMQQ (Price) return as of 12/31/2017. EMQQ (NAV) return as of 12/31/2017. MSCI ACWI Ex USA NR USD (Price) return as of 12/31/2017. MSCI ACWI Ex USA NR USD (NAV) return as of 12/31/2017. The EMQQ Expense Ratio = 0.86%. \* EMQQ Inception Date: 11/13/14.

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

**Carefully consider the Fund's investment objectives, risk factors, charge's and expenses before investing. This and additional information can be found in the Fund's prospectus, which may be obtained by visiting [www.emqqetf.com](http://www.emqqetf.com). Read the prospectus carefully before investing.**

Investing involves risk, including the possible loss of principal. Investments in smaller and mid-sized companies typically exhibit higher volatility. The fund is non-diversified. International investing may involve risk of capital loss from unfavorable fluctuations in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other

nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Frontier markets generally have less developed capital markets than traditional emerging market countries, and, consequently, the risks of investing in foreign securities are magnified in such countries. These countries are subject to potentially significant political, social and economic instability, which could materially and adversely affect the companies in which the Fund may invest. The Fund invests in the securities of Internet Companies, including internet services companies and internet retailers, and is subject to the risk that market or economic factors impacting technology companies and companies that rely heavily on technology advances could have a major effect on the value of the Fund's investments. Holdings are subject to change.

There is no guarantee that the Fund or the index will achieve its investment objective.

The NAV of the Fund's shares is calculated each day the national securities exchanges are open for trading as of the close of the regular trade on the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time (the NAV Calculation Time). Shares are bought and sold at the market price, not NAV. Closing price returns are based on the midpoint of the bid/ask spread at 4:00 pm Eastern Time (when NAV is normally determined) and do not represent the returns you would receive if you traded shares at other times. Brokerage commissions will reduce returns.

Exchange Traded Concepts, LLC serves as the investment advisor and Penserra Capital Management LLC serves as a sub-advisor to the fund. The Funds are distributed by SEI Investments Distribution Co. (1 Freedom Valley Drive, Oaks, PA, 19456), which is not affiliated with Exchange Traded Concepts, LLC or Penserra Capital Management LLC.

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The Morningstar Rating(TM) for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5

stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 01/31/2018: EMQQ was rated against the following numbers of Diversified Emerging Market funds over the following time periods: 650 funds in the last three years and received a Rating of 5 stars.