

7 KNKS by UPHOLDINGS

April 7th, 2021

Subject: KNKS Quarterly Update

Fellow Investors,

In the 1st quarter of 2021, the Compound Kings ETF returned +10.01% vs. +6.17% for the S&P 500. Our letter continues after the performance table below.

As of 3/31/21	1 st Quarter 2021	Trailing 1 Year	Annualized Since Inception (3/1/19)
KNKS by NAV	10.35%	151.85%	51.48%
KNKS by Market Price	10.01%	N/A	9.54%*
S&P 500 Index*	6.17%	56.35%	20.42%

Gross expense ratio for the fund is 0.60%. This data represents past performance, which does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain performance through the most recent month, email invest@upholdings.com or call 650-669-9595.

Prior to the commencement of the Fund's operations on December 30, 2020, the Fund operated as the Predecessor Fund, a private fund with the same fee schedule with an inception date of March 1, 2019. The Fund's objectives, policies, guidelines, and restrictions are, in all material respects, equivalent to those of the Predecessor Fund, which was created for reasons unrelated to the establishment of a performance record. As part of the Predecessor Fund's reorganization into the Fund, the Fund assumed the NAV and performance history of the Predecessor Fund. The Predecessor Fund was not registered under the Investment Company Act of 1940 (the "1940 Act"), and did not have a Market Price.

*Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. *Market Price returns began on December 30, 2020, the first day the Fund had a Market Price. The Predecessor Fund was the sole account managed by Upholdings prior to the reorganization. The S&P 500 Index is an unmanaged index of 500 stocks, which is representative of the U.S. stock market in general. It is not possible to invest directly in an index.*

Share prices are based on closing market prices. Shares are bought and sold at market price, not net asset value (NAV). Market price returns are based upon the closing composite market price and do not represent the returns you would receive if you traded shares at other times. NAV: The dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding. Calculated at the end of each business day.

In The Beginning

Upholdings launched in March 2019 as a privately managed hedge fund. In December 2020, we reorganized into the Compound Kings ETF (KNGS) - our [prospectus](#) has the details. We're thrilled to have our investment process out on public display, and invite your feedback along the way.

Concentration FTW

Modern technology has changed how we all invest. Without ever speaking to another human being, shares can be purchased from another owner. On a phone. In an instant.

While technology has lowered the cost and sped up the process of trading shares, we have witnessed less improvements in the range of choices for investors. There are many fewer public companies than there were 25 years ago. And accredited investor rules lock 'unsophisticated' investors out of alternative investment choices.

The rise of index-based ETFs has helped. But with the Compound Kings ETF, we're offering something new. We concentrate our fund into our highest conviction investments - our top two holdings (BABA and FB) represented 24.71% of our fund as of quarter end. We make changes when market conditions overshoot - we sold multiple positions trading at >30x revenue during a rare bout of market euphoria. And we're committed to being transparent with our process.

Positions Update

Pinterest (PINS, 0.00% of KNGS) is one of the businesses we exited in the quarter. Pinterest has a bright future, particularly as it catches up on monetization of its international traffic. But the share price advanced 4.5x in less than 12 months. We could not find evidence of the company's opportunity expanding by a comparable amount. We hope to be investors in PINS again one day, but the price must be right. For similar reasons, we exited TIGR (0.00% of KNGS) and reduced our position in ETSY (1.15% of KNGS).

Alibaba (BABA, 12.19% of KNGS) is a position we doubled down on in the quarter. There is a big disconnect between the underlying fundamentals of China's best companies, and the negative headlines being reported in the American press. The company holds >30% market share in three of China's fastest growing industries: online marketplaces, cloud infrastructure, and payments (through its investment in Ant Group). It's rare to find a single stock with so many ways to grow.

Social Impact

Ensuring food supply for the hardest hit remains an ongoing effort during the pandemic. After relocating our headquarters to Nashville, we supported our first Tennessee-based organization: the 2nd Harvest Food Bank of Middle Tennessee.

Please reach out with questions to invest@upholdings.com.

Thanks, Robert.

Additional Disclosures

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.

An investor should consider the fund's investment objectives, risks, charges, and expenses carefully before investing. This and other important information about the fund can be found in the fund's Prospectus or Summary Prospectus. To obtain a copy of the Prospectus visit www.kngsetf.com. Read the Prospectus carefully before investing.

IMPORTANT RISKS: There is no assurance that the Fund will achieve its investment objective. An investment in the Fund involves risk, including those described here. Non-Diversification Risk. Because the Fund is non-diversified, it may be more sensitive to economic, business, political or other changes affecting individual issuers or investments than a diversified fund. Management Risk. The Fund is actively-managed and may not meet its investment objectives based on the Adviser's or Upholding's success or failure in implementing the Fund's investment strategy. Equity Investing Risk. An investment in the Fund involves risks similar to those of investing in any fund holding equity securities, such as market fluctuations, changes in interest rates and perceived trends in stock prices. Foreign Investment Risk: The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater in emerging markets.

Cash and Cash Equivalents Risk. Holding cash or cash equivalents rather than securities or other instruments in which the Fund primarily invests may cause the Fund to experience potentially lower returns than the Fund's benchmark or other funds that remain fully invested. Illiquid Securities Risk. The portfolio managers may not be able to sell illiquid securities at the price it would like or may have to sell them at a loss. Securities of non-U.S. issuers in particular, are subject to greater liquidity risk. ETF Risk. Shares of any ETF are bought and sold at market price and may trade at a discount or premium to NAV. Shares are not individually redeemed from the Fund, and brokerage commissions will reduce returns.

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