Ionic Inflation Protection ETF

Ticker: CPII

Annual Report

April 30, 2024

Ionic Inflation Protection ETF

TABLE OF CONTENTS

A Message to Our Shareholders . . . 1
Performance Summary . . . 3
Portfolio Allocation . . . 4
Consolidated Schedule of Investments . . . 5
Consolidated Schedule of Inflation Swaps . . . 6
Consolidated Statement of Assets and Liabilities . . . 7
Consolidated Statement of Operations . . . 8
Consolidated Statements of Changes in Net Assets . . . 9
Consolidated Financial Highlights . . . 10
Notes to Consolidated Financial Statements . . . 11
Report of Independent Registered Public Accounting Firm . . . 23
Expense Example . . . 24
Basis for Trustees' Approval of Investment Advisory and Sub-Advisory Agreements . . . 25
Trustees and Executive Officers . . . 29
Additional Information . . . 31

SHAREHOLDER LETTER (Unaudited)

Market Commentary

Interest rates have been volatile in the context of changing sentiment towards expected rate cuts and stubborn inflation. Ten-year Treasury yields rose from 3.6% in May 2023 to almost 5% in October 2023, before falling to 3.8% in December 2023 and then rising again to 4.7% in April 2024. After showing signs of easing during the summer of 2023, inflationary pressures resumed during Q3 2023 driven primarily by services inflation and higher employment costs. While year-over-year levels of the Consumer Price Index ("CPI") (as measured by US CPI Urban Consumers YoY) have remained near 3.4%, they are still far from the Federal Reserve's (the "Fed") 2% inflation target. As a result, expectations for Fed rate cuts commencing in 2024 have fallen from seven expected cuts to just one, with many analysts, as well as some Fed officials, even suggesting there will be no rate cuts in 2024.

The information presented in this report relates to the Fund's performance for the fiscal year ended April 30, 2024 (the "Fiscal Year"):

Fund Description

The Ionic Inflation Protection ETF ("CPII") seeks to generate positive returns during periods of rising inflation and inflation expectations as well as during periods of increasing long-term interest rates and fixed income volatility.

Performance Overview

From May 1, 2023 through April 30, 2024, CPII generated a net return of 8.16% NAV. By comparison, the Bloomberg U.S. Aggregate Bond Index generated a return of -1.47%. Higher interest rates and persistently high levels of inflation negatively impacted most fixed income instruments during this period. Performance gains for CPII were primarily attributable to principal adjustments relating to U.S. Treasury Inflation-Protected Securities (TIPS) holdings, followed by gains on payer swaptions (options on interest rates).

We expect uncertainty around inflation to persist for the balance of 2024, causing volatility in interest rates and inflation expectations. Economic data released in recent weeks is a good example of this trend. The Purchasing Managers' Index (PMI) release for April 2024 was strong, indicating economic strength and the fact that the Fed's monetary policy tightening has not had much of an impact on the economy, even as jobless claims have risen. The PMI is an economic indicator that measures the direction of economic trends in the manufacturing and service sectors. In addition, the service provider sector grew at a rapid rate and manufacturing output expanded over the last year. This resilience continues to bolster inflation, and while the Fed does not consider a rate hike likely, recent Fed minutes indicate that the Fed is not expecting to cut rates anytime soon.

The performance data quoted represents past performance.

A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The market price is the most recent price at which the fund was traded. CPII intends to pay out dividends and interest income, if any, monthly. There is no guarantee these distributions will be made.

The Bloomberg U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes U.S. Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).

Fund holdings are subject to change and should not be considered a recommendation to buy or sell any security. For a complete list of portfolio holdings, please refer to the Consolidated Schedule of Investments provided in this report.

Fund Risks: The Fund is classified as a non-diversified investment company. The Fund may invest a greater portion of its assets in the securities of a single issuer or a smaller number of issuers than if it was a diversified fund. To the extent that the Fund invests in other funds, a shareholder will bear two layers of asset-based expenses, which could reduce returns compared to a direct investment in the underlying funds.

The Fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses. The Fund may invest in debt securities which are subject to the risks of an issuer's inability to meet its obligations under the security; failure of an issuer or borrower to pay principal and interest when due; and interest rate changes affect the prices of fixed income securities. In addition, an increase in prevailing interest rates typically causes the value of existing fixed income securities to fall and often has a greater impact on longer duration and/or higher quality fixed income securities.

SHAREHOLDER LETTER (Unaudited) (Continued)

The Fund does not seek to track or replicate an index. Thus, the ability of the Fund to achieve its objective will depend on the effectiveness of the portfolio managers. In general, ETFs can be tax efficient. ETFs are subject to capital gains tax and taxation of dividend income. However, ETFs are structured in such a manner that taxes are generally minimized for the holder of the ETF. An ETF manager accommodates investment inflows and outflows by creating or redeeming “creation units,” which are baskets of assets. As a result, the investor usually is not exposed to capital gains on any individual security in the underlying portfolio. However, capital gains tax may be incurred by a shareholder after the ETF is sold.

The Fund invests in a Cayman Subsidiary. The Fund is indirectly exposed to the risks associated with the Subsidiary’s investments. The swaps, swaptions and other investments held by the Subsidiary are subject to the same economic risks that apply to similar investments if held directly by the Fund. The Subsidiary is not registered under the 1940 Act, and, unless otherwise noted in this Prospectus, is not subject to all the investor protections of the 1940 Act.

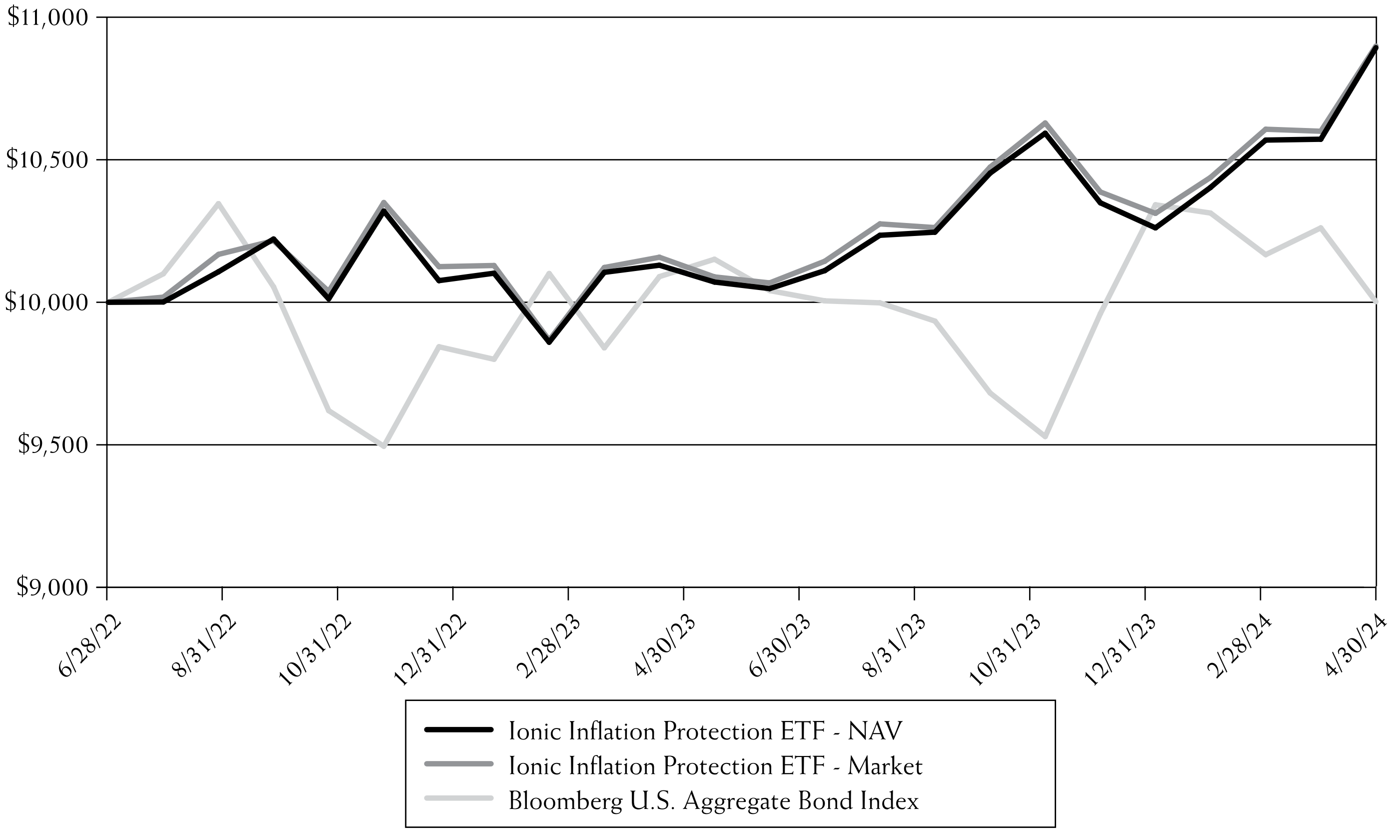
Swaptions Risk: A swaption is an option contract that gives the holder the right (but not the obligation) to enter into a swap at a predetermined rate at expiration in exchange for a premium payment. Swaptions enable the Fund to purchase exposure that is significantly greater than the premium paid. Consequently, the value of swaptions can be volatile, and a small investment in swaptions can have a large impact on the performance of the Fund.

TIPS Risk. Interest payments on TIPS are unpredictable and will fluctuate as the principal and corresponding interest payments are adjusted for inflation. There can be no assurance that CPI will accurately measure the real rate of inflation in the prices of goods and services.

The Fund is distributed by Foreside Fund Services, LLC.

Ionic Inflation Protection ETF

PERFORMANCE SUMMARY (Unaudited)



Annualized Returns for the Year Ended April 30, 2024:	1 Year	Since Inception (6/28/2022)	Ending Value (4/30/2024)
Ionic Inflation Protection ETF - NAV	8.16%	4.76%	$10,893
Ionic Inflation Protection ETF - Market	8.03%	4.79%	10,899
Bloomberg U.S. Aggregate Bond Index	-1.47%	0.01%	10,002

This chart illustrates the performance of a hypothetical $10,000 investment made on June 28, 2022 (commencement of operations) 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, dividends, and return of capital, if applicable, for a fund and dividends for an index.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling (866) 214-2234. The Fund's expense ratio is 0.74% (as of the Fund's most recently filed Prospectus).

PORTFOLIO ALLOCATION at April 30, 2024 (Unaudited)

Security Type	% of Net Assets
U.S. Treasury Obligations	91.6%
Options Purchased	4.4
Cash Equivalents[(a)]	4.0
	100.0%

(a) Represents short-term investments and other assets in excess of liabilities.

Ionic Inflation Protection ETF

CONSOLIDATED SCHEDULE OF INVESTMENTS as of April 30, 2024

	Par	Value
U.S. TREASURY OBLIGATIONS – 91.6%		
United States Treasury Inflation Indexed Bonds		
07/15/2024, 0.13%	$ 1,705,544	$ 1,707,164
10/15/2024, 0.13%	1,718,756	1,710,769
01/15/2025, 0.25%	1,747,807	1,718,547
04/15/2025, 0.13%	1,742,045	1,697,406
07/15/2025, 0.38%	1,707,723	1,668,253
10/15/2025, 0.13%[(a)(d)]	1,734,200	1,679,399
01/15/2026, 0.63%	1,563,306	1,511,556
04/15/2026, 0.13%	1,666,115	1,587,982
TOTAL U.S. TREASURY OBLIGATIONS		
(Cost $13,327,369)		13,281,076

	Notional Amount	
OPTIONS PURCHASED – 4.4%[(b)]		
Interest Rate Swaptions – 4.4%		
5-Year Interest Rate Swap, 1-Day USD-SOFR; Bank of America Securities, Inc., Expiration: 01/05/2026; Exercise Rate: 4.25%	$ 16,000,000	355,600
5-Year Interest Rate Swap, 1-Day USD-SOFR; J.P. Morgan, Expiration: 01/05/2026; Exercise Rate: 4.25%	13,000,000	288,925
TOTAL OPTIONS PURCHASED		
(Cost $398,000)		644,525

	Shares	
SHORT-TERM INVESTMENTS – 2.3%		
Money Market Funds – 2.3%		
First American Government Obligations Fund - Class X, 5.23%[(a)(c)]	328,876	328,876
TOTAL SHORT-TERM INVESTMENTS		
(Cost $328,876)		328,876
TOTAL INVESTMENTS – 98.3%		
(Cost $14,054,245)		$ 14,254,477
Other Assets in Excess of Liabilities – 1.7%		250,078
TOTAL NET ASSETS – 100.0%		$ 14,504,555

Percentages are stated as a percent of net assets.

SOFR Secured Overnight Financing Rate

(a) All or a portion of the investment is a holding of Ionic Cayman Subsidiary.

(b) 100 shares per contract.

(c) The rate shown represents the annualized 7-day yield as of April 30, 2024.

(d) All or a portion of this security is held at the broker in connection with swaps. As of April 30, 2024, the value of this security amounts to $1,042,385 or 7.2% of net assets.

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

CONSOLIDATED SCHEDULE OF INFLATION SWAPS as of April 30, 2024

Reference Entity	Counterparty	Long/Short	Expiration Date	Financing Rate	Payment Frequency	Notional Amount	Fair Value	Upfront Premiums Paid (Received)	Unrealized Appreciation (Depreciation)
US CPI Urban Consumers Index[a][b]	Morgan Stanley	Long	01/08/2029	2.34%	Once At Maturity	$14,500,000	$ 183,631	$ 2,848	$ 180,783
								Total Inflation Swaps	$ 180,783

(a) All or a portion of the investment is a holding of Ionic Cayman Subsidiary.

(b) Centrally cleared swap, clearing agent: LCH Group.

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

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES as of April 30, 2024

Assets:		
Investments in securities, at value (Cost $14,054,245) (Note 2)	$	14,254,477
Deposits at broker for swaps		66,456
Receivables:		
Appreciation on swap agreements		180,783
Interest		8,235
Swap premiums paid, net		2,848
Total assets		14,512,799
Liabilities:		
Payables:		
Management fees (Note 4)		8,244
Total liabilities		8,244
Net Assets	$	14,504,555
Components of Net Assets:		
Paid-in capital	$	14,364,873
Total distributable (accumulated) earnings (losses)		139,682
Net assets	$	14,504,555
Net Asset Value (unlimited shares authorized):		
Net assets	$	14,504,555
Shares of beneficial interest issued and outstanding		725,000
Net asset value	$	20.01

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

Ionic Inflation Protection ETF

CONSOLIDATED STATEMENT OF OPERATIONS For the Year Ended April 30, 2024

Investment Income:	
Interest income	565,956
Broker interest income	903
Swap accretion income	186
Total investment income	567,045
Expenses:	
Management fees (Note 4)	80,943
Swap amortization expense	1,153
Total expenses	82,096
Net investment income (loss)	484,949
Realized and Unrealized Gain (Loss):	
Net realized gain (loss) on:	
Investments	104,206
Swaps	(69,672)
Change in net unrealized appreciation/depreciation on:	
Investments	240,944
Swaps	187,254
Net realized and unrealized gain (loss)	462,732
Net increase (decrease) in net assets resulting from operations	$ 947,681

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

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended April 30, 2024	Period Ended April 30, 2023[1]
Increase (Decrease) in Net Assets From:		
Operations:		
Net investment income (loss)	$ 484,949	$ 334,660
Net realized gain (loss)	34,534	(219,446)
Change in net unrealized appreciation/depreciation	428,198	(47,183)
Net increase (decrease) in net assets resulting from operations	947,681	68,031
Distributions to Shareholders:		
From Distributable earnings	(671,973)	(238,366)
From Return of capital	—	(37,573)
Net distributions to shareholders	(671,973)	(275,939)
Capital Share Transactions:		
Net increase (decrease) in net assets derived from net change in outstanding shares[2]	4,438,485	9,998,270
Total increase (decrease) in net assets	4,714,193	9,790,362
Net Assets:		
Beginning of year/period	9,790,362	—
End of year/period	$ 14,504,555	$ 9,790,362

(1) The Fund commenced operations on June 28, 2022. The information presented is from June 28, 2022 to April 30, 2023.

(2) Summary of share transactions is as follows:

	Year Ended April 30, 2024		Period Ended April 30, 2023[1]	
	Shares	Value	Shares	Value
Shares sold	225,000	$ 4,433,127	500,000	$ 9,991,175
Shares redeemed	—	—	—	—
Variable fees	—	5,358	—	7,095
Net increase (decrease)	225,000	$ 4,438,485	500,000	$ 9,998,270

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

CONSOLIDATED FINANCIAL HIGHLIGHTS For a capital share outstanding throughout each year/period

	Year Ended April 30, 2024	Period Ended April 30, 2023[1]
Net asset value, beginning of year/period	$ 19.58	$ 20.00
Income (Loss) from Investment Operations:		
Net investment income (loss)[2]	0.82	0.69
Net realized and unrealized gain (loss)[3]	0.71	(0.55)
Total from investment operations	1 .53	0.14
Less Distributions:		
From net investment income	(1.11)	(0.49)
From return of capital	—	(0.08)
Total distributions	(1.11)	(0.57)
Capital Share Transactions		
Variable fees[2]	0.01	0.01
Net asset value, end of year/period	$ 20.01	$ 19.58
Total return[5]	8.16%	0.71%[4]
Ratios / Supplemental Data:		
Net assets, end of year/period (millions)	$ 14.5	$ 9.8
Ratio of expenses to average net assets[7]	0.71%	0.74%[6]
Ratio of net investment income (loss) to average net assets	4.19%	4.18%[6]
Portfolio turnover rate[8]	336%	339%[4]

(1) The Fund commenced operations on June 28, 2022. The information presented is from June 28, 2022 to April 30, 2023.

(2) Calculated using average shares outstanding method.

(3) Net realized and unrealized gain (loss) per share in the caption are balancing amounts necessary to reconcile the change in the net asset value per share for the period, and may not reconcile with the aggregate gain (loss) in the Consolidated Statement of Operations due to the timing of share transactions for the period.

(4) Not annualized.

(5) Total return is calculated assuming a purchase of shares at net asset value on the first day and a sale at net asset valueon the last day of the period. Distributions are assumed, for the purpose of this calculation, to be reinvested at the payable date net asset value per share on their respective payment dates. Additional performance information is presented in the Performance Summary.

(6) Annualized.

(7) The ratio of expenses to average net assets includes swap amortization expense. The expense ratio excluding swap amortization expense is 0.70% for each period presented.

(8) Excluded the impact of in-kind transactions.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS April 30, 2024

NOTE 1 – ORGANIZATION

The Ionic Inflation Protection ETF (the "Fund") is an actively-managed and non-diversified series of shares of beneficial interest of Tidal ETF Trust (the "Trust").The Trust was organized as a Delaware statutory trust on June 4, 2018 and is registered with the Securities and Exchange Commission (the "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 Fund's shares are registered under the Securities Act of 1933, as amended. The Trust is governed by the Board of Trustees (the "Board"). Tidal Investments LLC (f/k/a Toroso Investments, LLC) ("Tidal Investments" or the "Adviser"), a Tidal Financial Group company, serves as investment adviser to the Fund and Ionic Capital Management LLC (the "Sub-Adviser") serves as sub-adviser to the Fund. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946 "Financial Services—Investment Companies." The Fund commenced operations on June 28, 2022.

The investment objective of the Fund is to seek capital appreciation in elevated and rising inflationary environments.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

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

A. *Security Valuation*. Equity securities listed on a securities exchange, market or automated quotation system for which quotations are readily available (except for securities traded on the NASDAQ Stock Market, LLC ("NASDAQ")), including securities traded over the counter, are valued at the last quoted sale price on the primary exchange or market (foreign or domestic) on which they are traded on the valuation date (or at approximately 4:00 p.m. EST if a security's primary exchange is normally open at that time), or, if there is no such reported sale on the valuation date, at the most recent quoted bid price or mean between the most recent quoted bid and ask prices for long and short positions. For a security that trades on multiple exchanges, the primary exchange will generally be considered the exchange on which the security is generally most actively traded. For securities traded on NASDAQ, the NASDAQ Official Closing Price will be used. Prices of securities traded on the securities exchange will be obtained from recognized independent pricing agents ("Independent Pricing Agents") each day that the Fund is open for business.

Debt securities are valued by using an evaluated mean of the bid and asked prices provided by an independent pricing service. The independent pricing service may use various valuation methodologies including matrix pricing and other analytical pricing models as well as market transactions and dealer quotations. These models generally consider such factors as yields or prices of bonds of comparable quality, type of issue, coupon, maturity, ratings and general market conditions. In the absence of a price from a pricing service, securities are valued at their respective fair values as determined in good faith by the Valuation Designee.

Options are valued at the mean between the closing bid and ask prices as provided by an independent pricing agent.

Swap contracts, such as credit default swaps, total return swaps, interest rate swaps, currency swaps and swaptions, are priced by an approved independent pricing service. The independent pricing service includes observable market data inputs in an evaluated valuation methodology.

Under Rule 2a-5 of the 1940 Act, a fair value will be determined for securities for which quotations are not readily available by the Valuation Designee (as defined in Rule 2a-5) in accordance with the Pricing and Valuation Policy and Fair Value Procedures, as applicable, of the Adviser, subject to oversight by 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 Adviser's Pricing and Valuation Policy and Fair Value Procedures, as applicable. Fair value pricing is an inherently subjective process, and no single standard exists for determining fair value. Different funds could reasonably arrive at different values for the same security. The use of fair value pricing by a Fund may cause the net asset value ("NAV") of its shares to differ significantly from the NAV that would be calculated without regard to such considerations. As described above, the Fund utilizes various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has 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 Fund's 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 Fund's investments as of April 30, 2024:

Ionic Inflation Protection ETF

	Level 1	Level 2	Level 3	Total
Assets:				
U.S. Treasury Obligations	$ —	$ 13,281,076	$ —	$ 13,281,076
Options Purchased	—	644,525	—	644,525
Money Market Funds	328,876	—	—	328,876
Total Assets	$ 328,876	$ 13,925,601	$ —	$ 14,254,477
Other Financial Instruments[(a)]:				
Assets				
Inflation Swaps	$ —	$ 180,783	$ —	$ 180,783
Total Assets	$ —	$ 180,783	$ —	$ 180,783

[(a)] Other Financial Instruments are inflation swap agreements not reflected in the Consolidated Schedule of Investments, which are valued at unrealized gain (loss).

B. *Derivative Investments.* Inflation swaps are essentially the same as interest rate swaps, except that the parties pay each other based on inflation changes. The Fund will generally enter into inflation swaps that exchange fixed-rate payments for floating-rate payments, with interest paid at fixed intervals (e.g., quarterly) or only on the expiration date. Further, the Fund will generally enter into inflation swaps only when the Sub-Adviser seeks to hedge the Fund's swaption exposure. A swaption is an option on a swap agreement that gives the buyer the right, but not the obligation, to enter into a swap on a future date in exchange for paying a market-based "premium". The Fund expects to focus on so-called "payer swaptions", which give the owner (the Fund) the right to pay fixed-rate payments and, in exchange, receive floating rate payments. Like interest rate swaps, inflation swaps and swaptions are derivative instruments that can be traded over the counter and may be centrally cleared.

The Fund has adopted financial reporting rules and regulations that require enhanced disclosure regarding derivatives and hedging activity intending to improve financial reporting of derivative instruments by enabling investors to understand how an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity's results of operations and financial position.

The Fund may invest in options on swaps. The Fund may make these investments as a substitute for a comparable market position in the underlying security, to attempt to hedge or limit the exposure of the Fund's position, to create a synthetic money market position for certain tax-related purposes and to effect closing transactions. The following table shows the effects of derivative instruments on the consolidated financial statements.

Consolidated Statement of Assets & Liabilities

Fair value of derivative instruments as of April 30, 2024:

	Asset Derivatives as of April 30, 2024	
Derivative Instruments	**Balance Sheet Location**	**Fair Value**
Inflation Contracts – Swaps[1]	Swap premiums paid	$2,848
	Appreciation on swap agreements	$180,783
Interest Rate Contracts – Swaptions	Investments in securities, at value	644,525

Consolidated Statement of Operations

The effect of derivative instruments on the Consolidated Statement of Operations for the year ended April 30, 2024:

Derivative Instruments	Location of Gain (Loss) on Derivatives Recognized in Income	Realized Gain (Loss) on Derivatives Recognized in Income	Change in Unrealized Appreciation/Depreciation on Derivatives Recognized in Income
Inflation Contracts – Swaps[1]	Realized and Unrealized Gain (Loss) on Swaps	$(69,672)	$187,254
Interest Rate Contracts – Swaptions	Realized and Unrealized Gain (Loss) on Investments	161,300	190,865

[1] The investment is a holding of Ionic Cayman Subsidiary, a wholly-owned subsidiary of the Fund.

C. *Basis for Consolidation for the Fund.* The Fund may invest up to 25% of its total assets in the Ionic Cayman Subsidiary (the “Subsidiary”). The Subsidiary will generally invest in inflation swaps that do not generate “qualifying income” under the source of income test required to qualify as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). Unlike the Fund, the Subsidiary may invest without limitation in inflation swaps; however, the Subsidiary will comply with the 1940 Act requirements that are applicable to the Fund’s transactions in derivatives. In addition, the Subsidiary will be subject to the same fundamental investment restrictions and will follow the same compliance policies and procedures as the Fund. Unlike the Fund, the Subsidiary will not seek to qualify as a RIC under the Code. The Fund is the sole investor in the Subsidiary and does not expect the shares of the Subsidiary to be offered or sold to other investors. The net assets of the Fund that were invested in the Subsidiary as of April 30, 2024 were as follows:

Ionic CFC:	Net Assets	% of Fund
	$1,359,033	9.4%

D. *Federal Income Taxes.* The Fund has elected to be taxed as a “regulated investment company” and intends to distribute substantially all taxable income to its shareholders and otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income taxes or excise taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, the Fund intends to declare as dividends in each calendar year at least 98.0% of its net investment income (earned during the calendar year) and at least 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts, if any, from prior years.

As of April 30, 2024, the Fund did not have any tax positions that did not meet the threshold of being sustained by the applicable tax authority. Generally, tax authorities can examine all the tax returns filed for the last three years. The Fund identifies its major tax jurisdiction as U.S. Federal and the Commonwealth of Delaware; however, the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits on uncertain tax positions as tax expense in the Consolidated Statement of Operations, if applicable. The Subsidiary is a controlled foreign corporation not subject to Cayman Islands or U.S. income taxes. As a wholly-owned foreign corporation, the Subsidiary’s net income and capital gains, if any, will be included each year in the Fund’s investment company taxable income.

E. *Securities 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. Discounts/premiums on debt securities purchased are accreted/amortized over the life of the respective securities using the effective interest method. Dividend income is recorded on the ex-dividend date. Debt income is recorded on an accrual basis. Other non-cash dividends are recognized as investment income at the fair value of the property received. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.

F. *Distributions to Shareholders.* Distributions to shareholders from dividends, interest income and other investment income, if any, for the Fund are declared and paid monthly. Distributions to shareholders from net realized gains on securities, if any, for the Fund normally are declared and paid on an annual basis. Distributions are recorded on the ex-dividend date.

G. *Use of Estimates.* The preparation of the consolidated 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 consolidated financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

H. *Share Valuation.* The NAV per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash or other assets, minus all liabilities by the total number of shares outstanding for the Fund, rounded to the nearest cent. The Fund's shares will not be priced on the days on which the New York Stock Exchange ("NYSE") is closed for trading.

I. *Guarantees and Indemnifications.* In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

J. *Illiquid Securities.* Pursuant to Rule 22e-4 under the 1940 Act, the Fund has adopted a Board-approved Liquidity Risk Management Program (the "Program") that requires, among other things, that the Fund limit its illiquid investments that are assets to no more than 15% of the value of the Fund's net assets. An illiquid investment is any investment that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. If the Fund should be in a position where the value of illiquid investments held by the Fund exceeds 15% of the Fund's net assets, the Fund will take such steps as set forth in the Program.

K. *Derivatives Transactions.* Pursuant to Rule 18f-4 under the 1940 Act, the SEC imposes limits on the amount of derivatives a fund can enter into, eliminates the asset segregation and cover framework arising from prior SEC guidance for covering derivatives and certain financial instruments currently used by funds to comply with Section 18 of the 1940 Act and treats derivatives as senior securities. Under Rule 18f-4 a fund's derivatives exposure is limited through a value-at-risk test. Funds whose use of derivatives is more than a limited specified exposure amount are required to establish and maintain a comprehensive derivatives risk management program, subject to oversight by a fund's board of trustees, and appoint a derivatives risk manager. The Fund has implemented a Rule 18f-4 Derivative Risk Management Program that complies with Rule 18f-4.

The Fund has adopted authoritative standards regarding disclosure about derivatives and hedging activities and how they affect the Fund's Consolidated Statement of Assets and Liabilities and Consolidated Statement of Operations. For the year ended April 30, 2024, the Fund's average notional value is described below:

	Average Notional Amount
Swaps	$11,846,154

L. *Offsetting Agreements.* The Fund is subject to various netting arrangements, which govern the terms of certain transactions with counterparties. The arrangements allow the Fund to close out and net its total exposure to a counterparty in the event of a default with respect to all transactions governed under a single agreement with a counterparty. The following table presents derivative financial instruments that are subject to enforceable netting arrangements, collateral arrangements or other similar agreements as of April 30, 2024:

Description	Gross Amounts	Gross Amounts Offset in the Consolidated Statement of Assets and Liabilities	Net Amounts Presented in the Consolidated Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged (Received)	Net Amount
Assets						
Inflation Contracts - Swaps	$ 180,783	—	$ 180,783	—	$ 2,848	$ 183,631

M. *Recently Issued Accounting Pronouncements.* In June 2022, the FASB issued Accounting Standards Update 2022-03, which amends Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions (“ASU 2022-03”). ASU 2022-03 clarifies guidance for fair value measurement of an equity security subject to a contractual sale restriction and establishes new disclosure requirements for such equity securities. ASU 2022-03 is effective for fiscal years beginning after December 15, 2023 and for interim periods within those fiscal years, with early adoption permitted. Management is currently evaluating the impact, if any, of these amendments on the consolidated financial statements.

N. *Other Regulatory Matters.* In October 2022, the SEC adopted a final rule relating to Tailored Shareholder Reports for Mutual Funds and Exchange-Traded Funds; Fee information in Investment Company Advertisements. The rule and form amendments will, among other things, require the funds to transmit concise and visually engaging shareholder reports that highlight key information. The amendments will require that funds tag information in a structured data format and that certain more in-depth information be made available online and available for delivery free of charge to investors on request. The amendments became effective January 24, 2023. There is an 18-month transition period after the effective date of the amendment.

O. *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 net asset value per share. These differences are primarily due to the taxable income from the Subsidiary. For the year ended April 30, 2024, the following adjustments were made:

Paid-In Capital	Total Distributed (Accumulated) Earnings (Losses)
$(6,471)	$6,471

NOTE 3 – PRINCIPAL INVESTMENT RISKS

A. *Swap Risk.* Swaps are entered into primarily with major global financial institutions for a specified period. The swaps in which the Fund invests are generally traded in the over-the-counter market, which generally has less transparency than exchange-traded derivatives instruments. The Fund’s interest rate swaps are subject to mandatory clearing, which means they must be transacted through a futures commission merchant and cleared through a clearinghouse that serves as a central counterparty. Because interest rate movements do not always align with projections of a swap counterparty, interest rate swaps are subject to interest rate risk. Swaps involve the risk that the party with whom the Fund has entered into the swap will default on its obligation to pay the Fund. If a counterparty becomes bankrupt or otherwise fails to perform its obligations under a swap due to financial difficulties, the Fund may experience significant delays in obtaining any recovery under the swap in a bankruptcy or other reorganization proceeding. This risk is heightened with respect to OTC instruments, such as the swaps in which the Fund will invest and may be greater during volatile market conditions. Other risks include the inability to close out a position because the trading market becomes illiquid (particularly in the OTC markets) or the availability of counterparties becomes limited for a period of time. Certain of the Fund’s transactions in swaps could also affect the amount, timing, and character of distributions to shareholders, which may result in the Fund realizing more short-term capital gain and ordinary income subject to tax at ordinary income tax rates than it would if it did not engage in such transactions, which may adversely impact the Fund’s after-tax returns.

- *Interest Rate Swaps Risk:* In an interest rate swap, the Fund and another party exchange their rights to receive interest payments based on a reference interest rate. Interest rate swaps are subject to interest rate risk and counterparty risk. An interest rate swap transaction could result in losses if the underlying asset or reference does not perform as anticipated. Interest rate swaps are also subject to counterparty risk. If the counterparty fails to meet its obligations, the Fund may lose money. An interest rate swap may fail to perform as intended and may not offset adverse changes in interest rates fully or at all. An interest rate swap may also reduce the Fund's gains due to favorable changes in interest rates and result in losses to the Fund. Counterparties to interest rate swaps are subject to manipulation in the marketplace of the reference benchmark rate, which may affect the utility of the swap as a hedge.

- *Inflation Swaps Risk:* There can be no assurance that the CPI will accurately measure the rate of inflation experienced in the U.S. or the rate of expected future inflation. Inflation swaps are subject to interest rate risk. The value of an inflation swap is expected to change in response to changes in real interest rates. If nominal interest rates increase at a faster rate than inflation, real interest rates may rise, leading to a decrease in value of an inflation swap. Additionally, payments received by the Fund from swaps, such as inflation swaps and other types of swaps, discussed below, will result in taxable income, either as ordinary income or capital gains, rather than tax-exempt income, which will increase the amount of taxable distributions received by shareholders.

- *Swaptions Risk:* A swaption is an option contract that gives the holder the right (but not the obligation) to enter into a swap at a predetermined rate at expiration in exchange for a premium payment. Swaptions enable the Fund to purchase exposure that is significantly greater than the premium paid. Consequently, the value of swaptions can be volatile, and a small investment in swaptions can have a large impact on the performance of the Fund. The Fund may write (sell) and purchase put or call swaptions. The Fund risks losing all or part of the cash paid (premium) paid for purchasing swaptions. Additionally, the value of the option may be lost if the Sub-Adviser fails to exercise such option at or prior to its expiration. When the Fund writes a swaption it becomes obligated (if the option is exercised) according to the terms of the option agreement. As the swaption contracts held by the Fund near expiration, the Fund may replace them with other swaption contracts that have a later expiration date. That process is called "rolling," and the Fund may incur costs to "roll" swaption contracts.

B. *Derivatives Risk.* The Fund's derivative investments have risks, including the imperfect correlation between the value of such instruments and the underlying assets or index; the loss of principal, including the potential loss of amounts greater than the initial amount invested in the derivative instrument; the possible default of the other party to the transaction; and illiquidity of the derivative investments. If a counterparty becomes bankrupt or otherwise fails to perform its obligations under a derivative contract due to financial difficulties, the Fund may experience significant delays in obtaining any recovery under the derivative contract in a bankruptcy or other reorganization proceeding. The derivatives used by the Fund may give rise to a form of leverage. Leverage magnifies the potential for gain and the risk of loss. Certain of the Fund's transactions in derivatives could also affect the amount, timing, and character of distributions to shareholders, which may result in the Fund realizing more short-term capital gain and ordinary income subject to tax at ordinary income tax rates than it would if it did not engage in such transactions, which may adversely impact the Fund's after-tax returns.

C. *TIPS Risk*. Interest payments on TIPS are unpredictable and will fluctuate as the principal and corresponding interest payments are adjusted for inflation. There can be no assurance that the CPI will accurately measure the real rate of inflation in the prices of goods and services. Any increases in the principal amounts of TIPS will be considered taxable ordinary income, even though the Fund or underlying ETF will not receive the principal until maturity. As a result, the Fund may make income distributions to shareholders that exceed the cash it receives. During periods of deflation the principal amount of TIPS and corresponding interest payments will decrease. In addition, TIPS are subject to counterparty risk, interest rate risk and maturity risk.

   The value of the Fund's TIPS will change in response to changes in "real interest rates" (i.e., nominal interest rates minus the inflation rate). The value of the TIPS will normally decline when real interest rates rise and conversely will normally increase when real interest rates decline.

D. *Counterparty Risk.* The risk of loss to the Fund for swaps that are entered into on a net basis depends on which party is obligated to pay the net amount to the other party. If the counterparty is obligated to pay the net amount to the Fund, the risk of loss to the Fund is loss of the entire amount that the Fund is entitled to receive. If the Fund is obligated to pay the net amount, the Fund's risk of loss is generally limited to that net amount. A counterparty may be unwilling or unable to make timely payments to meet its contractual obligations or may fail to return holdings that are subject to the agreement with the counterparty. If the counterparty or its affiliate becomes insolvent, bankrupt or defaults on its payment obligations to the Fund, the value of an investment held by the Fund may decline. Additionally, if any collateral posted by the counterparty for the benefit of the Fund is insufficient or there are delays in the Fund's ability to access such collateral, the Fund may not be able to achieve its leveraged investment objective.

In addition, the Fund may enter into swap agreements with a limited number of counterparties, which may increase the Fund's exposure to counterparty risk. Further, there is a risk that no suitable counterparties will be willing to enter into, or continue to enter into, transactions with the Fund and, as a result, the Fund may not be able to achieve its investment objective.

E. *Cayman Subsidiary Risk.* By investing in the Subsidiary, the Fund is indirectly exposed to the risks associated with the Subsidiary's investments. The inflation swaps and other investments held by the Subsidiary are generally similar to those investments that are permitted to be held by the Fund and are subject to the same economic risks that apply to similar investments if held directly by the Fund. The Subsidiary is not registered under the 1940 Act, and, unless otherwise noted in this Prospectus, is not subject to all the investor protections of the 1940 Act. Changes in the laws of the United States and/or the Cayman Islands could result in the inability of the Fund and/or the Subsidiary to continue to operate as it does currently and could adversely affect the Fund.

F. *U.S. Treasury Securities Risk*. The Fund will invest in U.S. Treasury securities issued or guaranteed by the U.S. Treasury. U.S. government securities are subject to market risk, interest rate risk and counterparty risk. Securities, such as those issued or guaranteed the U.S. Treasury, that are backed by the full faith and credit of the United States are guaranteed only as to the timely payment of interest and principal when held to maturity and the market prices for such securities will fluctuate. Notwithstanding that these securities are backed by the full faith and credit of the United States, circumstances could arise that would prevent the payment of interest or principal. This would result in losses to the Fund.

G. *Non-Diversification Risk.* Because the Fund is "non-diversified," it may invest a greater percentage of its assets in the securities of a single issuer or a smaller number of issuers than if it was a diversified fund. As a result, a decline in the value of an investment in a single issuer or a smaller number of issuers could cause the Fund's overall value to decline to a greater degree than if the Fund held a more diversified portfolio.

H. *High Portfolio Turnover Risk.* The Fund may actively and frequently trade all or a significant portion of the securities in its portfolio. A high portfolio turnover rate increases transaction costs, which may increase the Fund's expenses. Frequent trading may also cause adverse tax consequences for investors in the Fund due to an increase in short-term capital gains.

I. *Management Risk.* The Fund is actively-managed and may not meet its investment objective based on the Sub-Adviser's success or failure to implement investment strategies for the Fund.

J. *Newer Fund Risk.* The Fund is a recently organized management investment company with limited operating history. As a result, prospective investors do not have a track record or history on which to base their investment decisions. There can be no assurance that the Fund will grow to or maintain an economically viable size.

K. *ETF Risks.* The Fund is an ETF, and, as a result of an ETF's structure, it is exposed to the following risks:

- *Authorized Participants, Market Makers, and Liquidity Providers Concentration Risk.* The Fund has a limited number of financial institutions that are authorized to purchase and redeem Shares directly from the Fund (known as "Authorized Participants" or "APs"). In addition, there may be a limited number of market makers and/or liquidity providers in the marketplace. To the extent either of the following events occur, Shares may trade at a material discount to NAV and possibly face delisting: (i) APs exit the business or otherwise become unable to process creation and/or redemption orders and no other APs step forward to perform these services; or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions.

- *Cash Redemption Risk.* The Fund's investment strategy may require it to redeem Shares for cash or to otherwise include cash as part of its redemption proceeds. For example, the Fund may not be able to redeem in-kind certain securities held by the Fund (e.g., swap agreements or certain fixed income securities that cannot be broken up beyond certain minimum sizes needed for transfer and settlement). In such a case, the Fund may be required to sell or unwind portfolio investments to obtain the cash needed to distribute redemption proceeds. This may cause the Fund to recognize a capital gain that it might not have recognized if it had made a redemption in-kind. As a result, the Fund may have less cash efficiency and pay out higher annual capital gain distributions to shareholders than if the in-kind redemption process was used.

- *Costs of Buying or Selling Shares.* Investors buying or selling Shares in the secondary market will pay brokerage commissions or other charges imposed by brokers, as determined by that broker. Brokerage commissions are often a fixed amount and may be a significant proportional cost for investors seeking to buy or sell relatively small amounts of Shares. In addition, secondary market investors will also incur the cost of the bid-ask spread. The bid-ask spread varies over time for Shares based on trading volume and market liquidity, and is generally lower if Shares have more trading volume and market liquidity and higher if Shares have little trading volume and market liquidity. Further, a relatively small investor base in the Fund, asset swings in the Fund and/or increased market volatility may cause increased bid-ask spreads. Due to the costs of buying or selling Shares, including bid-ask spreads, frequent trading of Shares may significantly reduce investment results and an investment in Shares may not be advisable for investors who anticipate regularly making small investments.

- *Shares May Trade at Prices Other Than NAV.* As with all ETFs, shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of the shares will approximate the Fund's NAV, there may be times when the market price of Shares is more than the NAV intra-day (premium) or less than the NAV intra-day (discount) due to supply and demand of the shares or during periods of market volatility. This risk is heightened in times of market volatility or periods of steep market declines. The market price of shares during the trading day, like the price of any exchange-traded security, includes a "bid-ask" spread charged by the exchange specialist, market makers, or other participants that trade the shares. In times of severe market disruption, the bid-ask spread can increase significantly. At those times, shares are most likely to be traded at a discount to NAV, and the discount is likely to be greatest when the price of shares is falling fastest, which may be the time that you most want to sell your shares.

- *Trading.* Although Shares are listed for trading on the NYSE Arca, Inc. (the "Exchange") and may be listed or traded on U.S. and non-U.S. stock exchanges other than the Exchange, there can be no assurance that an active trading market for such Shares will develop or be maintained. Trading in Shares may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Shares inadvisable. In addition, trading in Shares on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to Exchange "circuit breaker" rules, which temporarily halt trading on the Exchange when a decline in the S&P 500 Index during a single day reaches certain thresholds (e.g., 7%, 13%, and 20%). Additional rules applicable to the Exchange may halt trading in Shares when extraordinary volatility causes sudden, significant swings in the market price of Shares. There can be no assurance that Shares will trade with any volume, or at all, on any stock exchange. In stressed market conditions, the liquidity of Shares may begin to mirror the liquidity of the Fund's underlying portfolio holdings, which can be significantly less liquid than Shares. Also, in stressed market conditions, the market for Shares may become less liquid in response to deteriorating liquidity in the markets for the Fund's underlying portfolio holdings. These adverse effects on liquidity for Shares, in turn, could lead to wider bid/ask spreads and differences between the market price of Shares and the underlying value of those Shares.

L. *General Market Risk.* Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Securities in the Fund's portfolio may underperform in comparison to securities in the general financial markets, a particular financial market or other asset classes, due to a number of factors, including inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters or events, pandemic diseases, terrorism, regulatory events, and government controls.

M. *Interest Rate Risk.* Generally, the value of fixed income securities (not including TIPS) will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. Changes in government intervention may have adverse effects on investments, volatility, and illiquidity in debt markets. The Fund's exposure to derivatives tied to interest rates subjects the Fund to greater volatility than investments in traditional securities, such as stocks and bonds. Investing in derivatives tied to interest rates is speculative and can be extremely volatile. The value of such investments may fluctuate rapidly based on a variety of factors, including overall market movements; economic events and policies; changes in interest rates or inflation rates; changes in monetary and exchange control programs; war; acts of terrorism; natural disasters; and technological developments. These factors may affect the value of the Fund in varying ways, and different factors may cause the value and the volatility of the Fund to move in inconsistent directions at inconsistent rates. The Fund's investments in interest rate-linked derivatives may lose money if short-term or long-term interest rates fall sharply or otherwise change in a manner not anticipated by the Sub-Adviser. There is no guarantee that the Fund will have positive performance even in environments of sharply rising inflation.

N. *Other Investment Companies Risk.* The Fund will incur higher and duplicative expenses when it invests in ETFs and other investment companies, including money market funds. By investing in another investment company, the Fund becomes a shareholder of that investment company and bears its proportionate share of the fees and expenses of the other investment company. There is also the risk that the Fund may suffer losses due to the investment practices of the underlying funds as the Fund will be subject to substantially the same risks as those associated with the direct ownership of securities held by such investment companies. ETFs may be less liquid than other investments, and thus their share values more volatile than the values of the investments they hold. Investments in ETFs are also subject to the "ETF Risks" described above.

O. *Cybersecurity Risk.* With the increased use of technologies such as the Internet to conduct business, the Fund is susceptible to operational, information security, and related risks. Cyber incidents affecting the Fund or its service providers may cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate its NAV, impediments to trading, the inability of shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

P. *Tax Risk.* The federal income tax treatment of the Fund's income from the Subsidiary may be negatively affected by future legislation, Treasury Regulations (proposed or final), and/or other IRS guidance or authorities that could affect the character, timing of recognition, and/or amount of the Fund's investment company taxable income and/or net capital gains and, therefore, the distributions it makes. If the Fund failed the source of income test for any taxable year but was eligible to and did not cure the failure, it could incur potentially significant additional federal income tax expenses. If, on the other hand, the Fund failed to qualify as a RIC for any taxable year and was ineligible to or otherwise did not cure the failure, it would be subject to federal income tax at the fund-level on its taxable income at the regular corporate tax rate (without reduction for distributions to shareholders), with the consequence that its income available for distribution to shareholders would be reduced and distributions from its current or accumulated earnings and profits would generally be taxable to its shareholders as dividend income.

Changes in the laws of the United States and/or the Cayman Islands could result in the inability of the Fund and/or the Subsidiary to operate as described in this Prospectus and the Statement of Additional Information ("SAI") and could adversely affect the Fund. For example, the Cayman Islands does not currently impose any income, corporate or capital gains tax or withholding tax on the Subsidiary.

If Cayman Islands law changes such that the Subsidiary must pay Cayman Islands taxes, Fund shareholders would likely suffer decreased investment returns.

NOTE 4 – COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS

The Adviser serves as investment adviser to the Fund pursuant to an investment advisory agreement between the Adviser and the Trust, on behalf of the Fund (the "Advisory Agreement"), and, pursuant to the Advisory Agreement, has overall responsibility for the general management and administration of the Fund, subject to the direction and oversight of the Board. The Adviser is responsible for trading a portion of the portfolio securities for the Fund, including selecting broker-dealers to execute purchase and sale transactions. The Adviser is also responsible for directing the remainder of such trading to be affected by the Sub-Adviser.

Pursuant to the Advisory Agreement, the Fund pays the Adviser a unitary management fee (the "Management Fee") based on the average daily net assets of the Fund at the annualized rate of 0.70%. Out of the Management Fee, the Adviser is obligated to pay or arrange for the payment of substantially all expenses of the Fund, including the cost of transfer agency, custody, fund administration, and all other related services necessary for the Fund to operate. Under the Advisory Agreement, the Adviser has agreed to pay, or require the Sub-Adviser to pay, all expenses incurred by the Fund except for 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, distribution fees and expenses paid by the Fund under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act (the "Excluded Expenses"), and the Management Fee payable to the Adviser. The Management Fees incurred are paid monthly to the Adviser. Management Fees for the fiscal year ended April 30, 2024 are disclosed in the Consolidated Statement of Operations. The Adviser also serves as adviser to the Subsidiary, pursuant to an advisory agreement between the Adviser and the Subsidiary (the "Subsidiary Advisory Agreement"). The Adviser does not receive any compensation for services rendered by the Adviser as investment adviser to the Subsidiary and is not entitled to any compensation under the Subsidiary Advisory Agreement.

The Sub-Adviser serves as sub-adviser to the Fund, pursuant to a sub-advisory agreement between the Adviser and the Sub-Adviser with respect to the Fund (the “Sub-Advisory Agreement”). Pursuant to the Sub-Advisory Agreement, the Sub-Adviser is responsible for the day-to-day management of the Fund’s portfolio, including determining the securities purchased and sold by the Fund, subject to the supervision of the Adviser and the Board. The Sub-Adviser is also responsible for trading a portion of the Fund’s portfolio securities and financial instruments (as delegated by the Adviser), including selecting broker-dealers to execute purchase and sale transactions. The Sub-Adviser is paid a fee by the Adviser, which is calculated and paid monthly, at an annual rate of 0.55% of the Fund’s average daily net assets (the “Sub-Advisory Fee”). The Sub-Adviser has agreed to assume the Adviser’s obligation to pay all expenses incurred by the Fund, except for the Sub-Advisory Fee payable to the Sub-Adviser and Excluded Expenses. For assuming the payment obligations for the Fund, the Adviser has agreed to pay the Sub-Adviser the profits, if any, generated by the Fund’s Management Fee, less a contractual fee retained by the Adviser. Expenses incurred by the Fund and paid by the Sub-Adviser include fees charged by Tidal ETF Services LLC (defined below). The Sub-Adviser also serves as sub-adviser to the Subsidiary, pursuant to a sub-advisory agreement between the Sub-Adviser and the Subsidiary (the “Subsidiary Sub-Advisory Agreement”). The Adviser does not pay to the Sub-Adviser an investment advisory or sub-advisory fee, and the Sub-Adviser and is not entitled to any compensation under the Subsidiary Sub-Advisory Agreement.

Tidal ETF Services LLC (“Tidal”), an affiliate of the Adviser, serves as the Fund’s administrator and, in that capacity, performs various administrative and management services for the Fund. Tidal coordinates the payment of Fund-related expenses and manages the Trust’s relationships with its various service providers.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services (“Fund Services”), serves as the Fund’s sub-administrator, fund accountant and transfer agent. In those capacities Fund Services performs various administrative and accounting services for the Fund. Fund Services prepares various federal and state regulatory filings, reports and returns for the Fund, including regulatory compliance monitoring and financial reporting; prepares reports and materials to be supplied to the Board; and monitors the activities of the Fund’s custodian. U.S. Bank N.A. (the “Custodian”), an affiliate of Fund Services, serves as the Fund’s custodian.

Foreside Fund Services, LLC (the “Distributor”) acts as the Fund’s principal underwriter in a continuous public offering of the Fund’s shares.

Certain officers and a trustee of the Trust are affiliated with the Adviser. Neither the affiliated trustee nor the Trust’s officers receive compensation from the Fund.

NOTE 5 – PURCHASES AND SALES OF SECURITIES

For the year ended April 30, 2024, the cost of purchases and proceeds from the sales or maturities of securities, excluding short-term investments, U.S. government securities, and in-kind transactions were $1,135,170 and $1,067,470, respectively.

For the year ended April 30, 2024, U.S. government securities associated with creations and redemptions for the Fund were $30,086,002 and $30,762,651, respectively.

For the year ended April 30, 2024, in-kind transactions associated with creations and redemptions for the Fund were $1,857,003 and $0, respectively.

NOTE 6 – INCOME TAXES AND DISTRIBUTIONS TO SHAREHOLDERS

The tax character of distributions paid during the year ended April 30, 2024 and the period ended April 30, 2023 was as follows:

Distributions Paid from:	April 30, 2024	April 30, 2023
Ordinary Income	$ 671,973	$ 238,366
Return of Capital	—	37,573
Total Distributions Paid	$ 671,973	$ 275,939

As of the most recent fiscal year ended April 30, 2024, components of the distributable (accumulated) earnings (losses) on a tax basis were as follows:

	April 30, 2024
Cost of investments[(1)]	$ 14,151,196
Gross tax unrealized appreciation	266,041
Gross tax unrealized depreciation	(162,760)
Net tax unrealized appreciation (depreciation)	103,281
Undistributed ordinary income (loss)	36,401
Undistributed long-term capital gain (loss)	—
Total distributable earnings	36,401
Other accumulated gain (loss)	—
Total distributable (accumulated) earnings (losses)	$ 139,682

(1) The difference between book and tax-basis unrealized appreciation was attributable primarily to the treatment of wash sales and mark-to-market treatment of swaps held in the Subsidiary.

Net capital losses incurred after October 31 (post-October losses) and net investment losses incurred after December 31 (late year losses), and within the taxable year, may be elected to be deferred to the first business day of the Fund's next taxable year. As of April 30, 2024, the Fund had not elected to defer any post-October losses or late year losses. As of April 30, 2024, the Fund had no long-term or short-term capital loss carryovers.

NOTE 7 – SHARE TRANSACTIONS

Shares of the Fund are listed and traded on the NYSE Arca, Inc. Market prices for the shares may be different from their NAV. The Fund issues and redeems shares on a continuous basis at NAV generally in large blocks of shares ("Creation Units"). Creation Units are issued and redeemed principally in-kind for securities included in a specified universe. Once created, shares generally trade in the secondary market at market prices that change throughout the day. Except when aggregated in Creation Units, shares are not redeemable securities of the Fund. Creation Units may only be purchased or redeemed by 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 the shares directly from the Fund. 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 Fund currently offers 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 Fund is $300, payable to the Custodian. The fixed transaction fee may be waived on certain orders if the Fund's 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% and for Redemption Units of up to a maximum of 2%, respectively, of the value of the Creation Units and Redemption Units subject to the transaction. Variable fees received by the Fund, if any, are disclosed in the capital shares transactions section of the Consolidated Statements of Changes in Net Assets. The Fund may issue an unlimited number of shares of beneficial interest, with no par value. All shares of the Fund have equal rights and privileges.

NOTE 8 – RECENT MARKET EVENTS

U.S. and international markets have experienced and may continue to experience significant periods of volatility in recent years and months due to a number of economic, political and global macro factors including rising inflation, uncertainty regarding central banks' interest rate increases, the possibility of a national or global recession, trade tensions, political events, the war between Russia and Ukraine, significant conflict between Israel and Hamas in the Middle East, and the impact of COVID-19.The global recovery from COVID-19 may last for an extended period of time. As a result of continuing political tensions and armed conflicts, including the war between Ukraine and Russia, the U.S. and the European Union imposed sanctions on certain Russian individuals and companies, including certain financial institutions, and have limited certain exports and imports to and from Russia. The war has contributed to recent market volatility and may continue to do so. The Middle East conflict has led to significant loss of life, damaged infrastructure and escalated tensions both in the region and globally. These developments, as well as other events, could result in further market volatility and negatively affect financial asset prices, the liquidity of certain securities and the normal operations of securities exchanges and other markets, despite government efforts to address market disruptions. As a result, the risk environment remains elevated.

NOTE 9 – SUBSEQUENT EVENTS

In preparing these consolidated financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure through the date the consolidated financial statements were issued. The Fund has determined that there are no subsequent events that would need to be disclosed or recorded in the Fund's consolidated financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Ionic Inflation Protection ETF and
Board of Trustees of Tidal ETF Trust

Opinion on the Financial Statements

We have audited the accompanying consolidated statement of assets and liabilities, including the consolidated schedules of investments and inflation swaps, of Ionic Inflation Protection ETF (the “Fund”), a series of Tidal ETF Trust, as of April 30, 2024, the related consolidated statement of operations for the year then ended, the consolidated statements of changes in net assets and the consolidated financial highlights for the year ended April 30, 2024 and for the period from June 28, 2022 (commencement of operations) to April 30, 2023, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of April 30, 2024, the results of its operations, the changes in net assets, and the financial highlights for each of the periods indicated above, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s 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 Fund 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.

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 April 30, 2024, by correspondence with the custodian and brokers. 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 auditor of one or more of Tidal Investment LLC’s investment companies since 2020.

Cohen & Company, Ltd.

COHEN & COMPANY, LTD.
Milwaukee, Wisconsin
June 28, 2024

EXPENSE EXAMPLE For the Six Months Ended April 30, 2024 (Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including brokerage commissions paid on purchases and sales of the Fund's shares, and (2) ongoing costs, including management fees of the Fund. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other funds. The example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which is from November 1, 2023 to April 30, 2024.

Actual Expenses

The first line of the following table provides information about actual account values and actual expenses. The example includes, but is not limited to, unitary fees. However, the example does not include portfolio trading commissions and related 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 following table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as brokerage commissions paid on purchases and sales of the Fund's shares. Therefore, the second line of the following 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.

	Beginning Account Value November 1, 2023	Ending Account Value April 30, 2024	Expenses Paid During the Period November 1, 2023 – April 30, 2024(1)
Actual	$ 1,000.00	$ 1,028.40	$ 3.58
Hypothetical (5% annual return before expenses)	$ 1,000.00	$ 1,021.33	$ 3.57

(1) Expenses are equal to the Fund's annualized expense ratio for the most recent six-month period of 0.71%, multiplied by the average account value over the period, multiplied by 182/366 (to reflect the most recent six-month period).

BASIS FOR TRUSTEES' APPROVAL OF INVESTMENT ADVISORY AND SUB-ADVISORY AGREEMENTS (Unaudited)

The Board of Trustees (the "Board" or the "Trustees") of Tidal ETF Trust (the "Trust") met at a meeting held on April 3, 2024 to consider the renewal of the Investment Advisory Agreement (the "Advisory Agreement") between the Trust, on behalf of the Ionic Inflation Protection ETF (the "Fund"), a series of the Trust, and Tidal Investments LLC (formerly, Toroso Investments, LLC), the Fund's investment adviser (the "Adviser"). Prior to this meeting, the Board requested and received materials to assist them in considering the renewal of the Advisory Agreement. The materials provided contained information with respect to the factors enumerated below, including a copy of the Advisory Agreement, a memorandum prepared by outside legal counsel to the Trust and Independent Trustees discussing in detail the Trustees' fiduciary obligations and the factors they should assess in considering the renewal of the Advisory Agreement, due diligence materials relating to the Adviser (including the due diligence response completed by the Adviser with respect to a specific request letter from outside legal counsel to the Trust and Independent Trustees, the Adviser's Form ADV, select ownership, organizational, financial and insurance information for the Adviser, biographical information of the Adviser's key management and compliance personnel, detailed comparative information regarding the unitary advisory fee for the Fund, and information regarding the Adviser's compliance program) and other pertinent information. Based on their evaluation of the information provided, the Trustees, by a unanimous vote (including a separate vote of the Trustees who are not "interested persons," as that term is defined in the Investment Company Act of 1940, as amended (the "Independent Trustees")), approved the renewal of the Advisory Agreement for an additional one-year term.

Discussion of Factors Considered

In considering the renewal of the Advisory Agreement and reaching their conclusions, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors enumerated below.

1. **Nature, Extent and Quality of Services Provided**. The Board considered the nature, extent and quality of the Adviser's overall services provided to the Fund as well as its specific responsibilities in all aspects of day-to-day investment management of the Fund, including trade execution and recommendations with respect to the hiring, termination, or replacement of sub-advisers to the Fund. The Board considered the qualifications, experience and responsibilities of the Adviser's investment management team, including Michael Venuto and Charles Ragauss, who each serve as a portfolio manager to the Fund, as well as the responsibilities of other key personnel of the Adviser involved in the day-to-day activities of the Fund. The Board reviewed due diligence information provided by the Adviser, including information regarding the Adviser's compliance program, its compliance personnel and compliance record, as well as the Adviser's cybersecurity program and business continuity plan. The Board noted that the Adviser does not manage any other accounts that utilize a strategy similar to that employed by the Fund.

   The Board also considered other services provided to the Fund, such as monitoring adherence to the Fund's investment strategy and restrictions, oversight of Ionic Capital Management, LLC ("Ionic" or the "Sub-Adviser"), the Fund's sub-adviser, and other service providers to the Fund, monitoring compliance with various Fund policies and procedures and with applicable securities regulations, the investment purpose and potential benefits and risks of the Fund's use of derivatives instruments, and monitoring the extent to which the Fund achieves its investment objective as an actively-managed ETF. The Board noted that the Adviser and Sub-Adviser share trade execution responsibilities for the Fund and the Sub-Adviser is responsible for portfolio investment decisions for the Fund, subject to the supervision of the Adviser.

   The Board concluded that the Adviser had sufficient quality and depth of personnel, resources, investment methods and compliance policies and procedures essential to performing its duties under the Advisory Agreement and managing the Fund and that the nature, overall quality and extent of the management services provided to the Fund, as well as the Adviser's compliance program, were satisfactory. In addition, the Trustees concluded that the Adviser had sufficient quality and depth of personnel, resources, and compliance policies and procedures essential to performing its duties as the investment adviser to the Fund's wholly-owned subsidiary organized under the laws of the Cayman Islands (the "Ionic Cayman Subsidiary").

2. **Investment Performance of the Fund and the Adviser.** The Board considered the investment performance of the Fund and the Adviser. The Board also considered the Fund's performance against its benchmark index and select peer groups. The Board also considered that because the portfolio investment decision-making for the Fund is performed by the Sub-Adviser, the Fund's performance is not the direct result of investment decisions made by the Adviser.

   The Board considered the performance of the Fund on an absolute basis and in comparison to its benchmark index (the S&P 500 Total Return Index). The Board also considered comparative information prepared by the Adviser, in partnership with AltaVista Research, LLC, a third-party ETF research firm, comparing the Fund to a peer group of ETFs within the Fund's designated Morningstar category (a peer group of U.S. inflation-protected bond funds) (the "CPII Peer Group"), as well as a peer group of ETFs representing a subset of the CPII Peer Group based on select criteria (the "CPII Select Peer Group"). The Board noted that the Fund underperformed the S&P 500 Total Return Index over the one-year and since inception periods ended December 31, 2023. The Board considered that the Fund outperformed the CPII Peer Group median and performed in-line with the CPII Peer Group average over the one-year period ended February 29, 2024. The Board also noted that the Fund ranked third out of 21 funds in the CPII Peer Group for the one-year period ended February 29, 2024.

After considering all of the information, the Board concluded that the performance of the Fund was satisfactory under current market conditions and that the Adviser has the necessary expertise and resources in providing investment advisory services in accordance with the Fund's investment objective and strategies. Although past performance is not a guarantee or indication of future results, the Board determined that the Fund and its shareholders were likely to benefit from the Adviser's continued management.

3. **Cost of Services Provided and Profits Realized by the Adviser.** The Board considered the cost of services and the structure of the Adviser's advisory fee, including a review of comparative expenses, expense components and peer group selection. The Board took into consideration that the advisory fee for the Fund was a "unitary fee," meaning that the Fund pays no expenses other than the advisory fee and certain other costs such as interest, brokerage, and extraordinary expenses and, to the extent it is implemented, fees pursuant to the Fund's Rule 12b-1 Plan. The Board noted that the Adviser continues to be responsible for compensating the Fund's other service providers and paying the Fund's other expenses out of its own fees and resources, subject to the Sub-Adviser's contractual agreement to assume such obligation in exchange for the profits, if any, generated by the Fund's unitary fee. The Board considered that the Fund's advisory fee of 0.70% was above the CPII Peer Group and CPII Select Peer Group averages of 0.19% and 0.35%, respectively, and that the Fund's expense ratio of 0.74% (which includes swap contract expenses of 0.04%) was above the CPII Peer Group and CPII Select Peer Group averages of 0.17% and 0.36%, respectively.

   The Board concluded that the Fund's expense ratio and the advisory fee were fair and reasonable in light of the comparative performance, advisory fee and expense information and the investment management services provided to the Fund by the Adviser given the nature of the Fund's investment strategy. The Board also evaluated, based on a profitability analysis prepared by the Adviser, the fees received by the Adviser and its affiliates from their relationship with the Fund, and concluded that the fees had not been, and currently were not, excessive, and while the Fund was not yet profitable to the Adviser, the Adviser had adequate financial resources to support its services to the Fund from the revenues of its overall investment advisory business. The Board also noted that the Adviser does not receive compensation with respect to its portfolio management of the Ionic Cayman Subsidiary.

4. **Extent of Economies of Scale as the Fund Grows.** The Board compared the Fund's expenses relative to its peer groups and discussed realized and potential economies of scale. The Board considered the potential economies of scale that the Fund might realize under the structure of the advisory fee. The Board noted that the advisory fee did not contain any breakpoint reductions as the Fund's assets grow in size, but that the Adviser would evaluate future circumstances that may warrant breakpoints in the fee structure.

5. **Benefits Derived from the Relationship with the Fund.** The Board considered the direct and indirect benefits that could be received by the Adviser and its affiliates from association with the Fund. The Board concluded that the benefits the Adviser may receive, such as greater name recognition or the ability to attract additional investor assets, appear to be reasonable and in many cases may benefit the Fund.

Conclusion. Based on the Board's deliberations and its evaluation of the information described above, with no single factor determinative of a conclusion, the Board, including the Independent Trustees, unanimously concluded that: (a) the terms of the Advisory Agreement are fair and reasonable; (b) the advisory fee is reasonable in light of the services that the Adviser provides to the Fund; and (c) the approval of the renewal of the Advisory Agreement for an additional one-year term was in the best interests of the Fund and its shareholders.

At the meeting held on April 3, 2024, the Board also considered the renewal of the sub-advisory agreement (the "Sub-Advisory Agreement") for the Fund, entered into between the Adviser and Ionic. Prior to this meeting, the Board requested and received materials to assist them in considering the renewal of the Sub-Advisory Agreement. The materials provided contained information with respect to the factors enumerated below, including a copy of the Sub-Advisory Agreement, a memorandum prepared by outside legal counsel to the Trust and the Independent Trustees discussing in detail the Trustees' fiduciary obligations and the factors they should assess in considering the renewal of the Sub-Advisory Agreement, due diligence materials prepared by the Sub-Adviser (including the due diligence response completed by the Sub-Adviser with respect to a specific request letter from outside legal counsel to the Trust and the Independent Trustees, the Sub-Adviser's Form ADV, select ownership, organizational, financial and insurance information for the

Sub-Adviser, biographical information of key management and compliance personnel, and the Sub-Adviser's compliance manual and code of ethics) and other pertinent information. Based on their evaluation of the information provided, the Trustees, by a unanimous vote (including a separate vote of the Independent Trustees), approved the renewal of the Sub-Advisory Agreement for an additional one-year term.

Discussion of Factors Considered

In considering the renewal of the Sub-Advisory Agreement and reaching their conclusions, the Trustees reviewed and analyzed various factors that they determined were relevant, including the factors enumerated below.

1. **Nature, Extent and Quality of Services Provided.** The Board considered the nature, extent and quality of Ionic's overall services provided to the Fund as well as its specific responsibilities in all aspects of day-to-day investment management of the Fund. The Board considered the qualifications, experience and responsibilities of Bart E. Baum, Daniel L. Stone and Doug Fincher, who each serve as a portfolio managers for the Fund, as well as the responsibilities of other key personnel of Ionic involved in the day-to-day activities of the Fund. The Board reviewed the due diligence information provided by Ionic, including information regarding Ionic's compliance program, its compliance personnel and compliance record, as well as Ionic's cybersecurity program and business continuity plan. The Board noted that Ionic does not currently manage separately-managed accounts that utilize a strategy similar to the strategy that is employed by Fund, although Ionic does manage other accounts that utilize the instruments that the Fund invests in as part of its principal investment strategies.

   The Board also considered other services provided to the Fund, such as monitoring adherence to the Fund's investment strategies and restrictions, the investment purpose and potential benefits and risks of the Fund's use of derivatives instruments, monitoring compliance with various Fund policies and procedures and with applicable securities regulations, monitoring the extent to which the Fund meets its investment objective as an actively-managed ETF and quarterly reporting to the Board. The Board noted that Ionic is responsible for Fund's portfolio investment decisions and the trading of a sub-set of the Fund's portfolio securities and other financial instruments, subject to the supervision of the Adviser.

   The Board concluded that Ionic had sufficient quality and depth of personnel, resources, investment methods and compliance policies and procedures essential to performing its duties under the Ionic Sub-Advisory Agreement and managing the Fund and that the nature, overall quality and extent of the management services provided to the Fund, as well as Ionic's compliance program, were satisfactory. In addition, the Trustees concluded that Ionic had sufficient quality and depth of personnel, resources, and compliance policies and procedures essential to performing its duties as the investment sub-adviser to the Ionic Cayman Subsidiary.

2. **Investment Performance of the Fund and the Sub-Adviser.** In considering Fund performance, the Board noted that Ionic is responsible for selecting investments for the Fund. Accordingly, the Board considered the performance of the Fund on an absolute basis, in comparison to its benchmark index (S&P 500 Total Return Index) and in comparison to the CPII Peer Group. The Board noted that the Fund underperformed the S&P 500 Total Return Index over the one-year and since inception periods ended December 31, 2023. The Board considered that the Fund outperformed the CPII Peer Group median and performed in-line with the CPII Peer Group average over the one-year period ended February 29, 2024. The Board also noted that the Fund ranked third out of twenty-one funds in the CPII Peer Group for the one-year period ended February 29, 2024.

   After considering all of the information, the Board concluded that the performance of the Fund was satisfactory under current market conditions and that Ionic has the necessary expertise and resources in providing investment advisory services in accordance with the Fund's investment objective and strategies. Although past performance is not a guarantee or indication of future results, the Board determined that the Fund and its shareholders were likely to benefit from Ionic's continued management.

3. **Cost of Services Provided and Profits Realized by the Sub-Adviser.** The Board considered the structure of the sub-advisory fees paid by the Adviser to Ionic under the Ionic Sub-Advisory Agreement. The Board noted that the Adviser represented to the Board that the sub-advisory fees payable under the Ionic Sub-Advisory Agreement were reasonable in light of the services performed by Ionic. Since the sub-advisory fees are paid by the Adviser, the overall advisory fees paid by the Fund are not directly affected by the sub-advisory fees paid to Ionic. Consequently, the Board did not consider the cost of services provided by Ionic or profitability from its relationship with the Fund to be material factors for consideration given that Ionic is not affiliated

with the Adviser and, therefore, the sub-advisory fees paid to Ionic were negotiated on an arm's-length basis. Based on all of these factors, the Board concluded that the sub-advisory fees paid to Ionic by the Adviser reflected appropriate allocations of the advisory fees and were reasonable in light of the services provided by Ionic.

4. **Extent of Economies of Scale as the Fund Grows.** Since the sub-advisory fees payable to Ionic are not paid by the Fund, the Board did not consider whether the sub-advisory fees should reflect any realized or potential economies of scale that might be realized as the Fund's assets increase.

5. **Benefits Derived from the Relationship with the Fund.** The Board considered the direct and indirect benefits that could be received by Ionic from its association with the Fund. The Board concluded that the benefits Ionic may receive, such as greater name recognition or the ability to attract additional investor assets, appear to be reasonable and in many cases may benefit the Fund.

Conclusion. Based on the Board's deliberations and its evaluation of the information described above, with no single factor determinative of a conclusion, the Board, including the Independent Trustees, unanimously concluded that: (a) the terms of the Ionic Sub-Advisory Agreement are fair and reasonable; (b) the sub-advisory fees are reasonable in light of the services that Ionic provides to the Fund; and (c) the approval of the renewal of the Ionic Sub-Advisory Agreement for an additional one-year term was in the best interests of the Fund and its shareholders.

TRUSTEES AND EXECUTIVE OFFICERS (Unaudited)

Name, Address 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[3]	Other Directorships Held by Trustee During Past 5 Years
Independent Trustees[1]					
Mark H.W. Baltimore c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1967	Trustee	Indefinite term; since 2018	Co-Chief Executive Officer, Global Rhino, LLC (asset management consulting firm) (since 2018); Chief Business Development Officer, Joot (asset management compliance services firm) (2019 to 2023); Chief Executive Officer, Global Sight, LLC (asset management distribution consulting firm) (2016 to 2018).	33	None
Dusko Culafic c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1958	Trustee	Indefinite term; since 2018	Retired (since 2018); Senior Operational Due Diligence Analyst, Aurora Investment Management, LLC (2012 to 2018).	33	None
Eduardo Mendoza c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1966	Trustee	Indefinite term; since 2018	Chief Financial Officer (since 2022), Executive Vice President - Head of Capital Markets & Corporate Development (since 2019), Advisor (2017 to 2019), Credijusto (financial technology company).	33	None
Interested Trustee and Executive Officer					
Eric W. Falkeis[2] c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1973	President, Principal Executive Officer, Interested Trustee, and Chairman	President and Principal Executive Officer since 2019, Indefinite term; Interested Trustee, and Chairman, since 2018, Indefinite term	Chief Executive Officer, Tidal ETF Services LLC (since 2018); Chief Operating Officer (and other positions), Rafferty Asset Management, LLC (2013 to 2018) and Direxion Advisors, LLC (2017 to 2018).	33	Trustee, Tidal Trust II (60 Funds) (since 2022); Independent Director, Muzinich Direct Lending Income Fund, Inc. (since 2023); Independent Director, Muzinich BDC, Inc. (since 2019); Trustee, Professionally Managed Portfolios (27 series) (since 2011); Interested Trustee, Direxion Funds, Direxion Shares ETF Trust, and Direxion Insurance Trust (2014–2018).

TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

Name, Address 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[(3)]	Other Directorships Held by Trustee During Past 5 Years
Executive Officers					
Aaron J. Perkovich c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1973	Treasurer, Principal Financial Officer, and Principal Accounting Officer	Indefinite term; since 2022	Head of Fund Administration (since 2023), Fund Administration Manager (2022 to 2023), Tidal ETF Services LLC; Assistant Director – Investments, Mason Street Advisors, LLC (2021 to 2022); Vice President, U.S. Bancorp Fund Services, LLC (2006 to 2021).	Not Applicable	Not Applicable
William H. Woolverton, Esq c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1951	Chief Compliance Officer and AML Compliance Officer	AML Compliance Officer since 2023, Indefinite term; Chief Compliance Officer since 2021, Indefinite term	Chief Compliance Officer (since 2023), Compliance Advisor (2022 to 2023), Tidal Investments LLC; Chief Compliance Officer, Tidal ETF Services LLC (since 2022); Senior Compliance Advisor, ACA Global (2020 to 2022); Operating Partner, Altamont Capital Partners (private equity firm) (since 2021); Managing Director and Head of Legal - US, Waystone (global governance solutions) (2016 to 2019).	Not Applicable	Not Applicable
Ally L. Mueller c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1979	Vice President	Indefinite term; since 2023	Head of ETF Launches and Client Success (since 2023), Head of ETF Launches and Finance Director (2019 to 2023), Tidal ETF Services LLC.	Not Applicable	Not Applicable
Lissa M. Richter c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1979	Secretary	Indefinite term; since 2023	ETF Regulatory Manager (since 2021), Tidal ETF Services LLC; Senior Paralegal, Rafferty Asset Management, LLC (2013 to 2020); Senior Paralegal, Officer, U.S Bancorp Fund Services LLC (2005 to 2013).	Not Applicable	Not Applicable
Melissa Breitzman c/o Tidal ETF Services, LLC 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204 Born: 1983	Assistant Treasurer	Indefinite term; since 2023	Fund Administration Manager, Tidal ETF Services LLC (since 2023); Assistant Vice President, U.S Bancorp Fund Services, LLC (2005 to 2023).	Not Applicable	Not Applicable

(1) All Independent Trustees of the Trust are not “interested persons” of the Trust as defined under the 1940 Act (“Independent Trustees”).

(2) Mr. Falkeis is considered an “interested person” of the Trust due to his positions as President, Principal Executive Officer, Chairman, and Chief Executive Officer of Tidal ETF Services LLC, a Tidal Financial Group company and an affiliate of the Adviser.

(3) The Trust, as of the date of this shareholder report, offers for sale to the public 33 of the 47 funds registered with the SEC.

ADDITIONAL INFORMATION

QUALIFIED DIVIDEND INCOME/DIVIDENDS RECEIVED DEDUCTION (Unaudited)

For the year ended April 30, 2024, certain dividends paid by the Funds may be subject to a maximum tax rate of 23.8%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003 and the Tax Cuts and Jobs Act of 2017. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Ionic Inflation Protection ETF 0.00%

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the year ended April 30, 2024, was as follows:

Ionic Inflation Protection ETF 0.00%

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distribution under Internal Revenue Section 871(k)(2)(c) for the year ended April 30, 2024, was as follows:

Ionic Inflation Protection ETF 0.00%

INFORMATION ABOUT PROXY VOTING (Unaudited)

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available upon request without charge, by calling (866) 214-2234 or by accessing the Fund's website at www.cpiietf.com. Furthermore, you can obtain the description on the SEC's website at www.sec.gov.

Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available upon request without charge by calling (866) 214-2234 or by accessing the SEC's website at www.sec.gov.

INFORMATION ABOUT THE PORTFOLIO HOLDINGS (Unaudited)

The Fund's portfolio holdings are posted on the Fund's website daily at www.cpiietf.com. The Fund files its complete schedule of portfolio holdings with the SEC for its first and third fiscal quarters on Part F of Form N-PORT. The Fund's Part F of Form N-PORT is available without charge, upon request, by calling (866) 214-2234. Furthermore, you can obtain the Part F of Form N-PORT on the SEC's website at www.sec.gov.

FREQUENCY DISTRIBUTION OF PREMIUMS AND DISCOUNTS (Unaudited)

Information regarding how often shares of the Fund trade on the exchange at a price above (i.e., at a premium) or below (i.e., at a discount) to its daily NAV is available, without charge, on the Fund's website at www.cpiietf.com.

INFORMATION ABOUT THE FUND'S TRUSTEES (Unaudited)

The Statement of Additional Information ("SAI") includes additional information about the Fund's Trustees and is available without charge, upon request, by calling (866) 214-2234. Furthermore, you can obtain the SAI on the SEC's website at www.sec.gov or the Fund's website at www.cpiietf.com.

Investment Adviser
Tidal Investments LLC
(f/k/a Toroso Investments, LLC)
234 West Florida Street, Suite 203
Milwaukee, Wisconsin 53204

Investment Sub-Adviser
Ionic Capital Management LLC
475 Fifth Avenue, 9th Floor
New York, New York 10017

Independent Registered Public Accounting Firm
Cohen & Company, Ltd.
342 North Water Street, Suite 830
Milwaukee, Wisconsin 53202

Legal Counsel
Godfrey & Kahn, S.C.
833 East Michigan Street, Suite 1800
Milwaukee, Wisconsin 53202

Custodian
U.S. Bank N.A.
1555 North RiverCenter Drive, Suite 302
Milwaukee, Wisconsin 53212

Fund Administrator
Tidal ETF Services LLC
234 West Florida Street, Suite 203
Milwaukee, Wisconsin 53204

Transfer Agent, Fund Accountant and Fund Sub-Administrator
U.S. Bancorp Fund Services, LLC
615 East Michigan Street
Milwaukee, Wisconsin 53202

Distributor
Foreside Fund Services, LLC
Three Canal Plaza, Suite 100
Portland, Maine 04101

Fund Information

Fund	Ticker	CUSIP
Ionic Inflation Protection ETF	CPII	886364553