Key Takeaways

• The ALPS Medical Breakthroughs ETF (SBIO) gained 7.62% during the month of July 2022 as M&A activity continues to increase.
• SBIO’s DREEN** segment was the best performer among the four biotech segments in SBIO in July 2022.
• Company Spotlight: Prometheus Biosciences Inc. (RXDX, 0.95% weight**) jumped 51.15% in July after the company completed enrollment of its Phase 2 Ulcerative Colitis trial.

Performance Notes

• SBIO gained 7.62% in July 2022, slightly underperforming the S&P Biotech Select Industry Index which returned 9.25% for the same period. Biotech names reported positive drug trial data and increased mergers and acquisitions (M&A), continuing the spark in the Biotech industry.
• With high inflation and recession fears, biotech valuations have been hit during the first half of 2022. However, this has ignited M&A activity within the biotech space, creating a major catalyst for the month of July.

Performance Summary

<table>
<thead>
<tr>
<th></th>
<th>Jul-22</th>
<th>YTD</th>
<th>1 Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBIO (NAV)</td>
<td>7.62%</td>
<td>-29.48%</td>
<td>-32.42%</td>
</tr>
<tr>
<td>S-Network Medical Breakthroughs Index - TR</td>
<td>9.25%</td>
<td>-27.48%</td>
<td>-34.21%</td>
</tr>
<tr>
<td>ICE Biotechnology Index</td>
<td>5.36%</td>
<td>-18.51%</td>
<td>-24.82%</td>
</tr>
</tbody>
</table>

As of 7/31/2022

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains. For standardized performance please see page 3.

Strategy

• SBIO screens for small- to mid-cap biotech companies with at least one drug or therapy in Phase II or Phase III (late-stage) clinical trials.
  • Late stage drug trials can potentially capture greater odds of success as they are further along the Food & Drug Administration (FDA) drug trial process.
  • SBIO constituents must have at least 24 months of cash burn on hand.
  • This quality screen helps to protect against the equity dilution that comes with raising capital to support drug trials.
Valuation Update

- The S-Network Medical Breakthroughs Index (PMBI) has a weighted average cash-burn of 54.25 months that continues to exceed peer biotechnology indices, and is a distinguishing defensive characteristic for the fund.
- PMBI's holdings have an average market value of $2.472 billion, with 50.14% classified as mid-caps, and 49.86% as small-caps.

Contribution to Return by Treatment Focus

- SBIO's DREEN** segment was the best performer in July 2022. Within the segment, Prometheus Biosciences Inc. (RXDX, 0.95% weight*) was the top performer and is highlighted below in the Company Spotlight. Compass Pathways PLC (CMPS, 0.38% weight*) also rallied 44.09% for the month after the neurological-disorder company announced they had appointed a new CEO and subsequently launched a Phase II study of its psilocybin therapy to treat anorexia nervosa.
- Bicycle Therapeutics PLC (BCYC, 0.40% weight*), a SBIO Cancer name, gained 40.34% last month after the company announced that Genentech (not in SBIO) exercised its option to initiate a new program to discover, develop and commercialize Bicycle-based immune-oncology therapies, leading to multiple price target upgrades later in July.
- Within SBIO's Cardiology & Hematology, Editas Medicine Inc. (EDIT, 0.62% weight*) returned 36.00% in July after the company reported success in Phase I of their sickle cell therapy.

Index Characteristics

<table>
<thead>
<tr>
<th></th>
<th>S-Network Medical Breakthroughs Index</th>
<th>S&amp;P Biotechnology Select Industry Index</th>
<th>ICE Biotechnology Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Constituents</td>
<td>135</td>
<td>134</td>
<td>371</td>
</tr>
<tr>
<td>Weighted Average Market Cap (in Mil, $)</td>
<td>$2,472</td>
<td>$10,434</td>
<td>$36,795</td>
</tr>
<tr>
<td>Price/Sales Ratio</td>
<td>6.42x</td>
<td>6.19x</td>
<td>5.03x</td>
</tr>
<tr>
<td>Cash Burn (months)</td>
<td>54.25</td>
<td>51.03</td>
<td>43.50</td>
</tr>
</tbody>
</table>

Source: Bloomberg L.P., as of 7/31/2022
Past performance is no guarantee of future results.

July 2022 Company Spotlight

**Company:** Prometheus Biosciences Inc. (RXDX, 0.95% weight*)

**Focus Group:** DREEN

- Prometheus Biosciences Inc. develops therapeutics and companion diagnostics for inflammatory bowel diseases.
- Prometheus Biosciences jumped 51.15% this month after the company announced the completed enrollment for its Phase 2 study of its unique immunotherapy to treat Ulcerative Colitis (UC), an inflammatory bowel disease that increases the risk of colon cancer. The Phase 2 trial enrolled twice as fast as the industry average and has established a path for future studies.
- Following its successful Phase 2 enrollment, Goldman Sachs initiated the biotech company at a Buy, noting "the company is uniquely positioned to bring precision medicine to inflammatory bowel diseases (IBD) and capture significant market share with their companion diagnostic approach."

* Weight in SBIO as of 7/31/2022
** DREEN (Dermatology, Respiratory, Eye, Ear, Neurology)
ALPS Medical Breakthroughs ETF (SBIO) Performance

<table>
<thead>
<tr>
<th>Total Returns</th>
<th>Cumulative as of 7/31/2022</th>
<th>Annualized as of 6/30/2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAV (Net Asset Value)</td>
<td>7.62%</td>
<td>-43.45%</td>
</tr>
<tr>
<td>Market Price</td>
<td>7.69%</td>
<td>-43.42%</td>
</tr>
<tr>
<td>5-Network Medical Breakthroughs Index - TR</td>
<td>7.67%</td>
<td>-43.10%</td>
</tr>
<tr>
<td>NASDAQ Biotechnology Index - TR</td>
<td>4.11%</td>
<td>-26.57%</td>
</tr>
</tbody>
</table>

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

1 Fund inception date: 12/30/2014
Total Operating Expenses: 0.50%

Top 10 Holdings

CRISPR THERAPEUTICS AG 3.31%
IONIS PHARMACEUTICALS INC 3.04%
INTELLIA THERAPEUTICS INC 2.80%
ARROWHEAD PHARMACEUTICALS INC 2.57%
ASCENDIS PHARMA A/S 2.52%
NOVAVAX INC 2.43%
ALKERMES PLC 2.40%
DENALI THERAPEUTICS INC 2.39%
ZAI LAB LTD 2.26%
CEREVEL THERAPEUTICS HOLDINGS INC 2.22%

Source: SS&C ALPS Advisors, as of 7/31/2022, subject to change

Treatment Focus Breakdown

- DREEN (Dermatology, Respiratory, Eye, Ear, Neurology) 36.63%
- Cancer 25.76%
- Rare & Orphan Diseases 25.13%
- Cardiology & Hematology 12.48%

Source: S-Network Global Indexes, as of 7/31/2022, holdings subject to change.
Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus containing this and other information, call 1-866-759-5679 or visit www.alpsfunds.com. Read the prospectus carefully before investing.

Shares are not individually redeemable. Investors buy and sell shares on a secondary market. Only market makers or "authorized participants" may trade directly with the Fund, typically in blocks of 5,000, 25,000 or 50,000 shares.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

The Fund’s investments are concentrated in the pharmaceuticals and biotechnology industries, and underperformance in these areas will result in underperformance in the Fund. Investments in small and micro capitalization companies are more volatile than companies with larger market capitalizations. Companies in the pharmaceuticals and biotechnology industry may be subject to extensive litigation based on product liability and similar claims. Legislation introduced or considered by certain governments on such industries or on the healthcare sector cannot be predicted.

Companies in the pharmaceuticals industry are subject to competitive forces that may make it difficult to raise prices and, in fact, may result in price discounting. The profitability of some companies in the pharmaceuticals industry may be dependent on a relatively limited number of products. In addition, their products can become obsolete due to industry innovation, changes in technologies or other market developments. Many new products in the pharmaceuticals industry are subject to government approvals, regulation and reimbursement rates. The process of obtaining government approvals may be long and costly. Many companies in the pharmaceuticals industry are heavily dependent on patents and intellectual property rights. The loss or impairment of these rights may adversely affect the profitability of these companies.

The development of new drugs generally has a high failure rate, and such failures may negatively impact the stock price of the company developing the failed drug. Biotechnology companies may have persistent losses during a new product’s transition from development to production. In order to fund operations, biotechnology companies may require financing from the capital markets, which may not always be available on satisfactory terms or at all.

The Fund is considered nondiversified and as a result may experience greater volatility than a diversified fund.

The Fund employs a "passive management" - or indexing - investment approach and seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Unlike many investment companies, the Fund is not “actively” managed. Therefore, it would not necessarily sell or buy a security unless that security is removed from or added to the underlying index, respectively.

Price/Sales (P/S) Ratio: represents the weighted average of the price/sales ratios of the stocks in a portfolio. Price/sales represent the amount an investor is willing to pay for a dollar generated from a particular company’s operations.

ICE Biotechnology Index: a rules-based, modified float-adjusted market capitalization-weighted index that tracks the performance of qualifying US listed biotechnology companies.

NASDAQ Biotechnology Index: designed to track the performance of a set of securities listed on the NASDAQ Stock Market (NASDAQ) that are classified as either biotechnology or pharmaceutical companies, and is a modified market capitalization weighted index.

S&P Biotechnology Select Industry Index: comprises stocks in the S&P Total Market Index that are classified in the GICS biotechnology sub-industry.

S-Network Medical Breakthroughs Index: comprised of small and mid-cap stocks of biotechnology companies that have one or more drugs in either Phase II or Phase III of the US Food and Drug Administration ("FDA") clinical trials.

One may not invest directly in an index.

ALPS Advisors, Inc. is affiliated with ALPS Portfolio Solutions Distributor, Inc.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

SMB000434  10/31/2022