

ALPS | O'Shares Europe Quality Dividend ETF

Quarterly Insights | Q4 2023

Key Takeaways

- The ALPS | O'Shares Europe Quality Dividend ETF (OEUR) returned 12.58% in the fourth quarter of 2023 as European markets rallied on expectations of no further rate hikes and softer inflation data.
- OEUR's Industrials sector was the top-performing sector in Q4, contributing +5.34% to overall fund performance.
- OEUR exhibits a slightly higher month-end price-to-earnings (P/E) ratio of 13.28x compared to the EURO STOXX 50 Net Return (NR) USD Index P/E of 13.13x due to its higher quality holdings.

Performance Notes

- Last quarter, the ALPS | O'Shares Europe Quality Dividend ETF (OEUR) returned 12.58%, slightly underperforming European markets as measured by the EURO STOXX 50 NR USD Index, which returned 13.26%. OEUR's allocation to quality, dividend-paying names across the Industrials and Health Care sectors helped boost performance against the EURO STOXX 50 NR USD Index during the last quarter, while the fund's relative underweight towards the Information Technology sector dragged on relative sector performance.
- In Q4 2023, European markets ended the year rallying on the back of future rate cuts and softer inflation data. Although the macro environment remains challenging with the Eurozone's gross domestic product (GDP) negative quarter over quarter, multiple companies within OEUR's quality portfolio posted strong earnings for the period and provided improving guidance, showing the importance of investing in high-quality companies. Quality company valuations historically fare better as economic growth prospects deteriorate, providing a positive outlook for OEUR's quality dividend strategy.

Performance Summary

	Q4 2023	YTD	1 Y	3 Y
OEUR (NAV)	12.58%	24.93%	24.93%	7.53%
O'Shares Europe Quality Dividend Index - NTR ¹	12.83%	25.47%	25.47%	7.98%
EURO STOXX 50 Net Return USD Index - NTR	13.26%	26.51%	26.51%	7.20%

As of 12/31/2023

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.

Performance data prior to 6/21/2022 reflects the performance of the Fund as managed under the OSI ETF Trust.

For standardized performance please see page 3.

¹ The O'Shares Europe Quality Dividend Index performance information reflects the blended performance of the FTSE Developed Europe Qual/Vol/ Yield 5% Capped Factor Index through 5/31/2020 and the O'Shares Europe Quality Dividend Index thereafter.

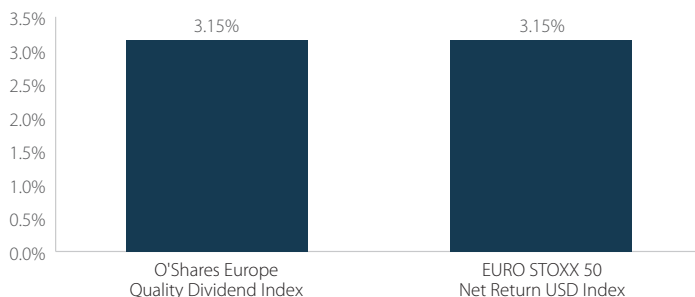
Why OEUR?

- **Quality Europe Growth Stocks:** Seeks European companies with strong balance sheets, profitability and dividend quality.
- **Performance:** Aims to provide strong performance with less risk.
- **Reduced Risk of Yield Traps:** Emphasis on dividend quality to help avoid dividend cuts and suspensions.

Dividend Yields of Broad Market Indexes

- As of Q4 2023, OEUR's underlying index carries a trailing twelve month (TTM) dividend yield of 3.15%, compared to the EURO STOXX 50 NR USD Index TTM yield of 3.15%.

Trailing Twelve Month Dividend Yield



Source: Bloomberg L.P., as of 12/31/2023

Past performance is no guarantee of future results.

Contribution to Return by Sector

- OEUR's Industrials (+5.34%), Information Technology (+1.90%) and Financials (+1.64%) sectors led overall contributions to fund returns in Q4. All sectors performed well during the fourth quarter, with Industrials (+0.39%) and Consumer Staples (+0.40%) sectors contributing the least to the fund's returns. Within OEUR's Industrials sector, manufacturing company, Siemens AG (**SIE GR, 3.56% weight***), rose nearly 31% last quarter after reporting strong quarterly results and stronger guidance. Analysts noted growth within Siemens' Digital Industries segment and improving free cash flow as key drivers for the results.
- OEUR Information Technology name and semiconductor equipment manufacturer, ASML Holding N.V. (**ASML NA, 5.00% weight***), rallied 27.59% last quarter thanks to optimism around rate cuts which would significantly help the company's capital-intensive business model, as well as following broad-based gains within the semiconductor industry after industry leader Taiwan Semiconductor Manufacturing (TSMC, not in OEUR) said the industry is close to a market bottom. Lastly, rising within OEUR's Financials sector allocation, Partners Group Holding AG (**PGHN SW, 0.93% weight***), gained 27.45% last quarter after announcing plans to acquire Rosen Group (not in OEUR), an addition that would fit well into Partners' Testing, Inspection & Certification theme, a segment that is experiencing strong tailwinds as pipeline assets continue to age.

Contribution to Return by Country

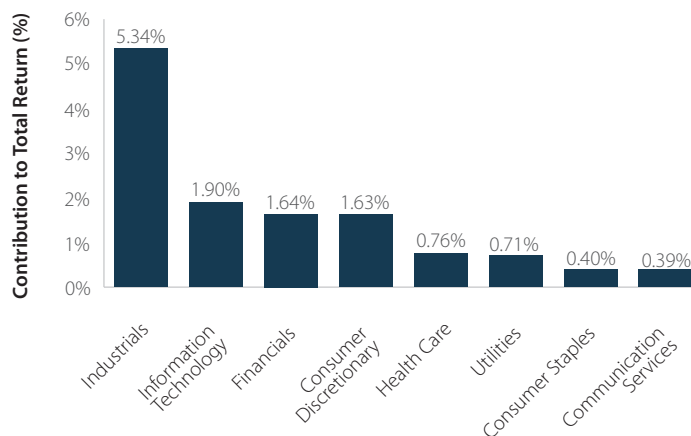
- For Q4 of 2023, OEUR's exposure to Germany (+2.77%) and the Netherlands (+1.96%) led country gains in the fund, while Finland (+0.22%) and Ireland (+0.33%) contributed the least to overall fund performance. Within OEUR's exposure to Germany, software company, SAP SE (**SAP GR, 3.50% weight***), rallied nearly 19% last quarter after announcing their cloud services backlog jumped 19% and reaffirmed its annual forecast.
- Additionally, sustainable electric company, Schneider Electric SE (**SU FP, 3.19% weight***), gained 20.87% in OEUR's country allocation to France last quarter, moving higher after raising its mid-term targets above analyst expectations. The targets reaffirm the company's margin expansion efforts with expected high growth in the expanding energy efficiency space.

Valuation Update

- As of last month-end, OEURX exhibits a P/E ratio of 13.28x, which is slightly higher than the EURO STOXX 50 NR USD Index P/E of 13.13x due to its higher-quality holdings.

*Weight in OEUR as of 12/31/2023

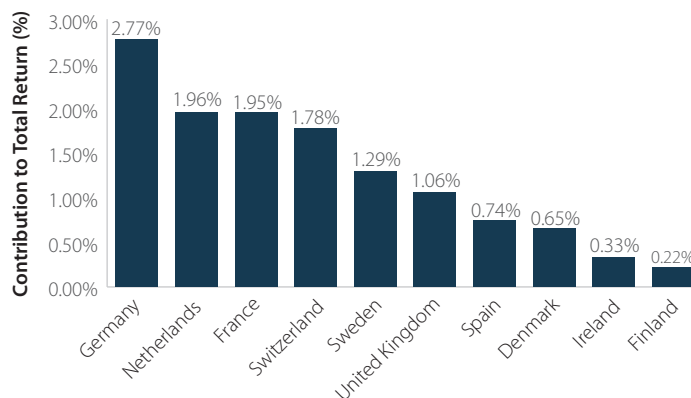
Contribution to Return by Sector



Source: Bloomberg L.P., as of 12/31/2023

Past performance is no guarantee of future results.

Contribution to Return by Country



Source: Bloomberg L.P., as of 12/31/2023

Past performance is no guarantee of future results.

Price Multiples

	O'Shares Europe Quality Dividend Index ¹		EURO STOXX 50 Net Return USD Index	
	Current	3 Year Avg	Current	3 Year Avg
Price/Earnings Ratio	13.28x	18.35x	13.13x	16.62x
Price/Book Ratio	3.03x	3.69x	1.80x	1.89x
Price/Cash Flow Ratio	10.73x	13.22x	6.64x	7.02x
Trailing Twelve Month Yield	3.15%	2.50%	3.15%	2.91%
OEUR 30-Day SEC Yield	2.61%			

Source: Bloomberg L.P., as of 12/31/2023

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¹ The O'Shares Europe Quality Dividend Index performance information reflects the blended performance of the FTSE Developed Europe Qual/Vol/ Yield 5% Capped Factor Index through 5/31/2020 and the O'Shares Europe Quality Dividend Index thereafter.

ALPS | O'Shares Europe Quality Dividend ETF (OEUR) Performance as of 12/31/2023

Total Returns	Cumulative				Annualized			
	1 M	3 M	YTD	SI [^]	1 Y	3 Y	5 Y	SI [^]
NAV (Net Asset Value)	5.57%	12.58%	24.93%	46.70%	24.93%	7.53%	8.82%	4.69%
Market Price	5.60%	13.00%	25.22%	46.86%	25.22%	7.74%	8.94%	4.70%
O'Shares Europe Quality Dividend Index - NTR ¹	5.61%	12.83%	25.47%	52.56%	25.47%	7.98%	9.35%	5.18%
EURO STOXX 50 Net Return USD Index - NTR	4.49%	13.26%	26.51%	58.41%	26.51%	7.20%	10.35%	5.65%

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.

Performance data prior to 6/21/2022 reflects the performance of the Fund as managed under the OSI ETF Trust.

[^] Fund inception date: 8/19/2015, date reflects the commencement of investment operations.

¹ The O'Shares Europe Quality Dividend Index performance information reflects the blended performance of the FTSE Developed Europe Qual/Vol/Yield 5% Capped Factor Index through 5/31/2020 and the O'Shares Europe Quality Dividend Index thereafter.

Total Operating Expenses: **0.48%**

Top 10 Holdings

ASML Holding NV	5.00%	Novartis AG	3.72%
Novo Nordisk A/S	4.85%	Siemens AG	3.56%
Nestle SA	4.47%	SAP SE	3.50%
LVMH Moet Hennessy Louis Vuitton SE	3.88%	Schneider Electric SE	3.19%
Roche Holding AG	3.74%	Allianz SE	3.07%

Source: Bloomberg L.P., as of 12/31/2023, subject to change
Daily holdings are available at www.alpsfunds.com.

ALPS | O'Shares Europe Quality Dividend ETF

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. This material must be preceded or accompanied by the prospectus. Read the prospectus carefully before investing.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

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.

Concentration in a particular industry or sector will subject the Fund to loss due to adverse occurrences that may affect that industry or sector. The Fund may use derivatives which may involve risks different from, or greater than, those associated with more traditional investments. A Fund's emphasis on dividend-paying stocks involves the risk that such stocks may fall out of favor with investors and underperform the market. Also, a company may reduce or eliminate its dividend after the Fund's purchase of such a company's securities. Returns on investments in foreign securities could be more volatile than, or trail the returns on, investments in US securities. Exposures to foreign securities entail special risks, including political, diplomatic, economic, foreign market and trading risks. In addition, a Fund's investments in securities denominated in other currencies could decline due to changes in local currency relative to the value of the US dollar, which may affect the Fund's returns.

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.

30-Day SEC Yield: reflects the dividends and interest earned during the period, after the deduction of the Fund's expenses.

Dividend Yield: a financial ratio that shows how much a company pays out in dividends each year relative to its share price.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): a measure of a company's overall financial performance.

EURO STOXX 50 Net Return USD Index: represents the performance of the 50 largest companies among the 20 supersectors in terms of free-float market cap in Eurozone countries.

FTSE Developed Europe Qual/Vol/Yield 5% Capped Factor Index: designed to measure the performance of publicly-listed large-capitalization and mid-capitalization dividend-paying issuers in Europe that meet certain requirements for market capitalization, liquidity, high quality, low volatility and dividend yield.

O'Shares Europe Quality Dividend Index: designed to reflect the performance of publicly-listed large-capitalization and mid-capitalization dividend-paying issuers in Europe that meet certain market capitalization, liquidity, high quality, low volatility and high dividend yield thresholds. The quality and low volatility requirements are designed to reduce exposure to high dividend equities that have experienced large price declines.

Price/Book (P/B) Ratio: the weighted average of the price/book ratios of all the stocks in a portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value.

Price/Cash Flow (P/CF) Ratio: represents the weighted average of the price/cash flow ratios of the stocks in a portfolio. Price/cash flow represents the amount an investor is willing to pay for a dollar generated from a particular company's operations.

Price/Earnings (P/E) Ratio: a valuation ratio of a company's current share price compared to its per-share earnings.

Return on Equity (ROE): a measure of financial performance calculated by dividing net income by shareholders' equity. ROE is considered a gauge of profitability.

Trailing Twelve Month Yield: refers to the percentage of income a portfolio has returned to investors over the last 12 months.

One may not invest directly in an index.

ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. and ALPS Portfolio Solutions Distributor, Inc., affiliated entities, are unaffiliated with O'Shares Investments.

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

Not FDIC Insured • No Bank Guarantee • May Lose Value

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