

ITEQ

Semi-Annual Report
March 31, 2023
(Unaudited)

BlueStar Israel Technology ETF
Ticker: ITEQ



The fund is a series of ETF Managers Trust.

BlueStar Israel Technology ETF

TABLE OF CONTENTS
March 31, 2023 (Unaudited)

	<u>Page</u>
Shareholder Letter	2
Growth of \$10,000 Investment	3
Top 10 Holdings	4
Important Disclosures and Key Risk Factors	5
Portfolio Allocations	6
Schedule of Investments	7
Statement of Assets and Liabilities	11
Statement of Operations	12
Statements of Changes in Net Assets	13
Financial Highlights	14
Notes to the Financial Statements	15
Approval of Advisory Agreement and Board Considerations	24
Expense Example	27
Statement Regarding Liquidity Risk Management Program	28
Supplementary Information	29
Information About Portfolio Holdings	29
Information About Proxy Voting	30
Trustees and Officers Table	31

BlueStar Israel Technology ETF

Dear Shareholder,

On behalf of the entire team, we want to express our appreciation for the confidence you have placed in the BlueStar Israel Technology Exchange Traded Fund (“ITEQ” or the “Fund”). The following information pertains to the fiscal period from October 1, 2022 to March 31, 2023.

The Fund seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the BlueStar Israel Global Technology Index (the “Index”).

Market Overview

The pace of inflation, as measured by the Consumer Price Index, showed signs of easing, and together with positive corporate earnings and the prospect of lower interest rates, resulted in improved stock performance in late 2022. Stocks and bonds also generally rallied in January, pulling back when reports of rising prices caused concern that the U.S. Federal Reserve would raise interest rates more than expected. Investor worries escalated in February with all three major U.S. stock indexes recording a loss for the month. While more broadly the first few months of 2023, have seen U.S. economic growth and a strong jobs market, macroeconomic headwinds continued to challenge stock markets during the period. Rising interest rates, supply chain disruptions, the Russia-Ukraine War, and a slowdown in global growth weighed on investor sentiment along with fears that the Fed’s monetary tightening would push the economy into a recession.

These conditions have impacted the ETFs’ performance during the period, among other factors, and the value of an investment in the ETFs. We encourage you to talk with your financial advisor and visit etfmg.com for further insight into investing in today’s markets.

Over the 6-month period ended March 31, 2023, the total return for the Fund was 5.14% while the total return for the Index was 5.49%. The difference was primarily attributable to Fund expenses that are not borne by the Index. The best performers in the Fund, on the basis of contribution to its return, were SolarEdge Technologies Inc, Amdocs Ltd, Nice Ltd, Perion Network Ltd, and Check Point Software Tech, while the worst performers were SentinelOne Inc., Novocure Ltd, ironSource Ltd, Lemonade Inc, and Elbit Systems Ltd.

During the reporting period, the Fund saw an average approximate allocation of 69.73% to the Information Technology sector, 7.29% to Health Care and 6.57% to Industrials. The portfolio holdings of the Fund were exposed predominately to Israel at 51.35% and the United States at 47.15%, followed by the Japan 0.52%.

We continue to believe that Israeli companies play an essential role in the global high technology value chain. Most technology users, from online shoppers to Fortune 500 companies, use Israeli technology applications and solutions every day without ever being aware of it. From cybersecurity and defense to clean energy and agriculture, Israeli innovations power some of the biggest names in the tech industry today.

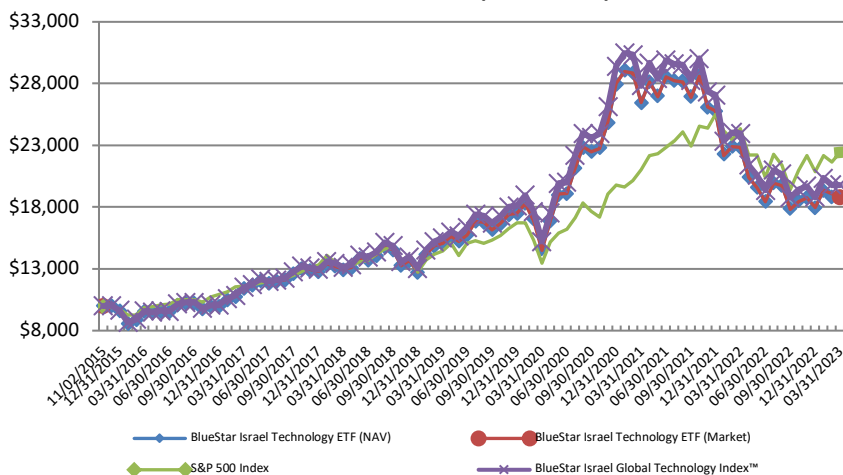
There is much ahead for Israeli Technology companies, and we are thankful you have joined us. You can find further details about ITEQ by visiting www.etfmg.com, or by calling 1-844-ETF-MGRS. (1-844-383-6477).

Sincerely,



Samuel Masucci III
Chairman of the Board

BlueStar Israel Technology ETF Growth of \$10,000 (Unaudited)



Average Annual Returns Period Ended March 31, 2023	1 Year Return	5 Year Return	Since Inception (11/2/2015)	Value of \$10,000 (3/31/2023)
BlueStar Israel Technology ETF (NAV)	-17.50%	7.85%	8.92%	\$ 18,840
BlueStar Israel Technology ETF (Market)	-17.56%	7.70%	8.90%	\$ 18,815
S&P 500 Index	-7.73%	11.19%	11.52%	\$ 22,442
BlueStar Israel Global Technology Index™	-17.45%	8.53%	9.65%	\$ 19,789

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. All performance is historical and includes reinvestment of dividends and capital gains. Performance data current to the most recent month end may be obtained by calling 1-844-ETF-MGRS (1-844-383-6477).

The chart illustrates the performance of a hypothetical \$10,000 investment made on November 2, 2015, 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 from the sales of Fund shares. The chart assumes reinvestment of capital gains and dividends, if any. The Index Returns do not reflect fees or expenses and are not available for direct investment.

BlueStar Israel Technology ETF

Top Ten Holdings as of March 31, 2023 (Unaudited)*

	<u>Security</u>	<u>% of Total Investments</u>
1	Nice, Ltd. - ADR	6.68%
2	Amdocs, Ltd.	6.22%
3	Check Point Software Technologies, Ltd.	5.65%
4	SolarEdge Technologies, Inc.	5.59%
5	CyberArk Software, Ltd.	4.17%
6	Tower Semiconductor, Ltd.	3.28%
7	Wix.com, Ltd.	2.90%
8	Elbit Systems, Ltd.	2.81%
9	Novocure, Ltd.	2.35%
10	Ormat Technologies, Inc.	2.16%

Top Ten Holdings = 41.81% of Total Investments

* Current Fund holdings may not be indicative of future Fund holdings.

BlueStar Israel Technology ETF

Important Disclosures and Key Risk Factors

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Narrowly focused investments typically exhibit higher volatility.

Past performance is not indicative of future return. A fund's performance for very short time periods may not be indicative of future performance.

ITEQ

The BlueStar Israel Technology ETF (the "Fund") seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the BlueStar Israel Global Technology Index (the "Index").

The Fund invests in Israeli companies. Foreign investing involves special risks such as currency fluctuations and political uncertainty. Funds that invest in smaller companies may experience greater volatility. Funds that emphasize investments in technology generally will experience greater price volatility. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund.

ETF shares are not individually redeemable, and owners of the shares may acquire those shares from the Fund and tender those shares for redemption to the Fund in Creation Units only, in blocks of 50,000 shares.

Unlike with an actively managed fund, the Fund's adviser does not use techniques or defensive strategies designed to lessen the effects of market volatility or to reduce the impact of periods of market decline. This means that, based on market and economic conditions, the Fund's performance could be lower than other types of funds that may actively shift their portfolio assets to take advantage of market opportunities or to lessen the impact of a market decline.

Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and other severe weather-related phenomena generally, and widespread disease, including pandemics and epidemics, have been and may be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Fund's investments. Given the increasing interdependence among global economies and markets, conditions in one country, market, or region are increasingly likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries, including the U.S. Any such events could have a significant adverse impact on the value of the Fund's investments.

Additionally, natural or environmental disasters, widespread disease or other public health issues, war, acts of terrorism or other events could result in increased premiums or discounts to the Fund's NAV.

Distributed by ETFMG Financial LLC, ETF Managers Group LLC and ETFMG Financial LLC are wholly owned subsidiaries of Exchange Traded Managers Group LLC (collectively, "ETFMG"). ETFMG Financial LLC is not affiliated with BlueStar Indexes.

BlueStar Israel Technology ETF

PORTFOLIO ALLOCATIONS

As of March 31, 2023 (Unaudited)

	BlueStar Israel Technology ETF
As a percent of Net Assets:	
Cayman Islands	0.9%
Gibraltar	0.3
Guernsey	7.8
Israel	62.8
Jersey	3.0
United States	24.6
Short-Term and other Net Assets (Liabilities)	0.6
	<u>100.0%</u>

BlueStar Israel Technology ETF

Schedule of Investments

March 31, 2023 (Unaudited)

	<u>Shares</u>	<u>Value</u>
COMMON STOCKS - 99.4%		
Cayman Islands - 0.9%		
Software - 0.9% (d)		
Sapiens International Corp NV	42,346	\$ 919,755
Gibraltar - 0.3%		
Hotels, Restaurants & Leisure - 0.3%		
888 Holdings PLC (a)	538,188	342,907
Guernsey - 7.8%		
IT Services - 7.8%		
Amdocs, Ltd. (b)	84,797	8,143,057
Israel - 62.8%		
Aerospace & Defense - 3.5%		
Elbit Systems, Ltd. (b)	21,666	3,687,770
Communications Equipment - 2.6%		
AudioCodes, Ltd.	35,775	539,487
Ceragon Networks, Ltd. (a)	195,861	327,088
Gilat Satellite Networks, Ltd. (a)(b)	88,876	455,045
Radware, Ltd. (a)	44,688	962,580
Silicom, Ltd. (a)	10,515	394,102
Total Communications Equipment		<u>2,678,302</u>
Diversified Financial Services - 1.8%		
Plus500, Ltd.	91,357	1,906,840
Electronic Equipment, Instruments & Components - 0.5%		
Innoviz Technologies, Ltd. (a)(b)	158,500	554,750
Health Care Equipment & Supplies - 3.7%		
Alpha Tau Medical, Ltd. (a)	66,326	190,356
Inmode, Ltd. (a)	81,101	2,591,988
Nano-X Imaging, Ltd. (a)(b)	73,231	422,543
Sisram Medical, Ltd. (e)	378,558	678,037
Total Health Care Equipment & Supplies		<u>3,882,924</u>
Household Durables - 0.6%		
Maytronics, Ltd.	60,916	645,906
Independent Power and Renewable Electricity Producers - 2.1%		
Energix-Renewable Energies, Ltd.	254,697	712,509
Enlight Renewable Energy, Ltd. (a)	67,160	1,120,727
OY Nofar Energy, Ltd. (a)	16,123	376,163
Total Independent Power and Renewable Electricity Producers		<u>2,209,399</u>
Interactive Media & Services - 0.6%		
Taboola.com, Ltd. (a)(b)	245,240	667,053
IT Services - 5.0%		
Formula Systems 1985, Ltd.	6,611	436,615
Matrix IT, Ltd.	33,257	584,108

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

BlueStar Israel Technology ETF

Schedule of Investments

March 31, 2023 (Unaudited) (Continued)

	<u>Shares</u>	<u>Value</u>
One Software Technologies, Ltd.	40,098	\$ 406,990
Wix.com, Ltd. (a)(b)	38,053	3,797,690
Total IT Services		<u>5,225,403</u>
Machinery - 1.0%		
Kornit Digital, Ltd. (a)	52,112	1,008,888
Media - 2.2%		
Perion Network, Ltd. (a)	49,404	1,955,410
Tremor International, Ltd. (a)	144,767	373,597
Total Media		<u>2,329,007</u>
Professional Services - 1.2%		
Fiverr International, Ltd. (a)	37,176	1,298,186
Semiconductors & Semiconductor Equipment - 7.7%		
Camtek, Ltd. (a)	34,386	974,843
Nova, Ltd. (a)	26,078	2,724,369
Tower Semiconductor, Ltd. (a)	101,100	4,293,717
Total Semiconductors & Semiconductor Equipment		<u>7,992,929</u>
Software - 27.8% (d)		
Cellebrite DI, Ltd. (a)(b)	88,960	541,766
Check Point Software Technologies, Ltd. (a)	56,900	7,397,000
CyberArk Software, Ltd. (a)	36,921	5,463,570
Hilan, Ltd.	14,408	597,779
JFrog, Ltd. (a)	76,950	1,515,915
Magic Software Enterprises, Ltd.	20,792	272,902
Monday.com, Ltd. (a)(b)	17,575	2,508,831
Nice, Ltd. - ADR (a)(b)	38,238	8,752,296
Pagaya Technologies, Ltd. - Class A (a)(b)	662,915	676,173
Riskified, Ltd. - Class A (a)	115,511	651,482
WalkMe, Ltd. (a)	47,701	507,539
Total Software		<u>28,885,253</u>
Technology Hardware, Storage & Peripherals - 2.2%		
Nano Dimension, Ltd. - ADR (a)(b)	362,062	1,046,359
Stratasys, Ltd. (a)	73,792	1,219,782
Total Technology Hardware, Storage & Peripherals		<u>2,266,141</u>
Total Israel		<u>65,238,751</u>
Jersey - 3.0%		
Health Care Equipment & Supplies - 3.0%		
Novocure, Ltd. (a)	51,133	3,075,138
United States - 24.6%		
Aerospace & Defense - 0.8%		
Leonardo DRS, Inc. (a)	64,511	836,708
Auto Components - 1.9%		
Mobileye Global, Inc. - Class A (a)(b)	46,880	2,028,497
Biotechnology - 0.5%		
Lineage Cell Therapeutics, Inc. (a)	318,596	477,894
Pluri, Inc. (a)	1	1
Total Biotechnology		<u>477,895</u>

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

BlueStar Israel Technology ETF

Schedule of Investments

March 31, 2023 (Unaudited) (Continued)

	<u>Shares</u>	<u>Value</u>
Electronic Equipment, Instruments & Components - 0.6%		
Vishay Precision Group, Inc. (a)	15,310	\$ 639,346
Entertainment - 1.1%		
Playtika Holding Corp. (a)	101,224	1,139,782
Independent Power & Renewable Energy - 2.7%		
Ormat Technologies, Inc.	33,330	2,825,000
Insurance - 0.9%		
Lemonade, Inc. (a)(b)	62,162	886,430
IT Services - 1.4%		
Payoneer Global, Inc. (a)	224,205	1,408,007
Pharmaceuticals - 0.1%		
Oramed Pharmaceuticals, Inc. (a)(b)	68,940	150,289
Semiconductors & Semiconductor Equipment - 7.8%		
CEVA, Inc. (a)	26,195	797,114
SolarEdge Technologies, Inc. (a)(b)	24,078	7,318,508
Total Semiconductors & Semiconductor Equipment		<u>8,115,622</u>
Software - 6.8% (d)		
LivePerson, Inc. (a)	63,991	282,200
SentinelOne, Inc. - Class A (a)(b)	171,192	2,800,701
Varonis Systems, Inc. (a)	84,270	2,191,863
Verint Systems, Inc. (a)	48,039	1,788,972
Total Software		<u>7,063,736</u>
Total United States		<u>25,571,312</u>
TOTAL COMMON STOCKS (Cost \$132,322,193)		<u>103,290,920</u>
INVESTMENTS PURCHASED WITH PROCEEDS FROM SECURITIES LENDING COLLATERAL - 26.0%		
Mount Vernon Liquid Assets Portfolio, LLC, 4.93% (c)	27,054,288	27,054,288
TOTAL INVESTMENTS PURCHASED WITH PROCEEDS FROM SECURITIES LENDING COLLATERAL (Cost \$27,054,288)		
SHORT-TERM INVESTMENTS - 0.6%		
Money Market Funds - 0.6%		
First American Government Obligations Fund - Class X, 4.64% (c)	663,281	663,281
TOTAL SHORT-TERM INVESTMENTS (Cost \$663,281)		<u>663,281</u>
Total Investments (Cost \$160,039,762) - 126.0%		<u>131,008,489</u>
Liabilities in Excess of Other Assets - (26.0)%		<u>(27,058,010)</u>
TOTAL NET ASSETS - 100.0%		<u>\$103,950,479</u>

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

BlueStar Israel Technology ETF

Schedule of Investments

March 31, 2023 (Unaudited) (Continued)

Percentages are stated as a percent of net assets.

ADR American Depositary Receipt

PLC Public Limited Company

(a) Non-income producing security.

(b) All or a portion of this security was out on loan at March 31, 2023.

(c) The rate shown is the annualized seven-day yield at period end.

(d) As of March 31, 2023 the Fund had a significant portion of its assets in the Software Industry.

(e) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. This security may be resold in transactions exempt from registration to qualified institutional investors. At March 31, 2023, the market value of these securities total \$678,037 which represents 0.65% of total net assets.

The Global Industry Classification Standard (GICS®) was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor's Financial Services LLC ("S&P"). GICS is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services ("Fund Services").

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

BlueStar Israel Technology ETF

STATEMENT OF ASSETS AND LIABILITIES

As of March 31, 2023 (Unaudited)

	BlueStar Israel Technology ETF
ASSETS	
Investments in securities, at value*	\$ 131,008,489
Foreign currency*	5,609
Receivables:	
Receivable for investments sold	6,724,143
Dividends and interest receivable	76,297
Securities lending income receivable	29,885
Total Assets	<u>\$ 137,844,423</u>
LIABILITIES	
Collateral received for securities loaned (Note 7)	27,054,288
Payables:	
Payable for fund shares redeemed	6,771,090
Unitary fees payable	68,566
Total Liabilities	<u>33,893,944</u>
Net Assets	<u>\$ 103,950,479</u>
NET ASSETS CONSIST OF:	
Paid-in capital	\$ 157,381,929
Total distributable earnings (accumulated losses)	<u>(53,431,450)</u>
Net Assets	<u>\$ 103,950,479</u>
*Identified Cost:	
Investments in securities	\$ 160,039,762
Foreign currency	5,675
Shares Outstanding [^]	2,250,000
Net Asset Value, Offering and Redemption Price per Share	<u>\$ 46.20</u>

[^] No par value, unlimited number of shares authorized

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

BlueStar Israel Technology ETF

STATEMENT OF OPERATIONS

For the Period Ended March 31, 2023 (Unaudited)

	BlueStar Israel Technology ETF
INVESTMENT INCOME	
Income:	
Dividends from securities (net of foreign withholdings tax and issuance fees of \$31,701)	\$ 169,398
Interest	14,075
Securities lending income	183,786
Total Investment Income	<u>367,259</u>
Expenses:	
Unitary Fees	424,135
Total Expenses	<u>424,135</u>
Net Investment Loss	<u>(56,876)</u>
REALIZED & UNREALIZED GAIN (LOSS) ON INVESTMENTS	
Net Realized Gain (Loss) on:	
Unaffiliated investments	(6,771,577)
In-Kind redemptions	3,616,627
Foreign currency and foreign currency translation	(3,242)
Net Realized Gain on Investments and In-Kind Redemptions	<u>(3,158,192)</u>
Net Change in Unrealized Appreciation/Depreciation of:	
Unaffiliated investments	8,644,396
Foreign currency and foreign currency translation	241
Net Change in Unrealized Appreciation/Depreciation of Investments	<u>8,644,637</u>
Net Realized and Unrealized Gain on Investments	<u>5,486,445</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 5,429,569</u>

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

BlueStar Israel Technology ETF

STATEMENTS OF CHANGES IN NET ASSETS

	Period Ended March 31, 2023 (Unaudited)	Year Ended September 30, 2022
OPERATIONS		
Net investment loss	\$ (56,876)	\$ (144,422)
Net realized gain (loss) on investments and in-kind redemptions	(3,158,192)	8,803,413
Net change in unrealized appreciation/depreciation of investments	<u>8,644,637</u>	<u>(69,063,455)</u>
Net increase (decrease) in net assets resulting from operations	<u>5,429,569</u>	<u>(60,404,464)</u>
CAPITAL SHARE TRANSACTIONS		
Net decrease in net assets derived from net change in outstanding shares	<u>(17,921,950)</u>	<u>(14,825,280)</u>
Net decrease in net assets	<u>(12,492,381)</u>	<u>(75,229,744)</u>
NET ASSETS		
Beginning of Period/Year	<u>116,442,860</u>	<u>191,672,604</u>
End of Period/Year	<u>\$103,950,479</u>	<u>\$116,442,860</u>

Summary of share transactions is as follows:

	Period Ended		Year Ended	
	March 31, 2023 (Unaudited)		September 30, 2022	
	Shares	Amount	Shares	Amount
Shares Sold	50,000	\$ 2,257,030	700,000	\$ 42,311,335
Shares Redeemed	(450,000)	(20,178,980)	(950,000)	(57,136,615)
Net Transactions in Fund Shares	(400,000)	<u>\$ (17,921,950)</u>	(250,000)	<u>\$ (14,825,280)</u>
Beginning Shares	<u>2,650,000</u>		<u>2,900,000</u>	
Ending Shares	<u>2,250,000</u>		<u>2,650,000</u>	

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

BlueStar Israel Technology ETF

FINANCIAL HIGHLIGHTS

For a capital share outstanding throughout each period/year

	Period Ended March 31, 2023 (Unaudited)	Year Ended September 30, 2022	Year Ended September 30, 2021	Year Ended September 30, 2020	Year Ended September 30, 2019	Year Ended September 30, 2018
Net Asset Value, Beginning of Period/Year	\$ 43.94	\$ 66.09	\$ 55.57	\$ 39.92	\$ 36.03	\$ 31.38
Income (Loss) from Investment Operations:						
Net investment income (loss) ¹	(0.02)	(0.05)	(0.01)	(0.06)	(0.04)	0.04
Net realized and unrealized gain (loss) on investments	2.28	(22.10)	10.97	15.71	4.03	4.78
Total from investment operations	2.26	(22.15)	10.96	15.65	3.99	4.82
Less Distributions:						
Distributions from net investment income	—	—	(0.44)	—	(0.09)	(0.17)
Return of Capital	—	—	—	—	(0.01)	—
Total Distributions	—	—	(0.44)	—	(0.10)	(0.17)
Net asset value, end of period/year	\$ 46.20	\$ 43.94	\$ 66.09	\$ 55.57	\$ 39.92	\$ 36.03
Total Return	5.14% ²	(33.52)%	19.76%	39.20%	11.17%	15.41%
Ratios/Supplemental Data:						
Net Assets at end of period/year (000's)	\$103,950	\$ 116,443	\$ 191,673	\$ 127,802	\$ 73,847	\$ 61,243
Expenses to Average Net Assets	0.75% ³	0.75%	0.75%	0.75%	0.75%	0.75%
Net Investment Income (Loss) to Average Net Assets	(0.10)% ³	(0.10)%	(0.02)%	(0.12)%	(0.12)%	0.12%
Portfolio Turnover Rate	9% ²	25%	21%	19%	24%	11%

¹ Calculated based on average shares outstanding during the period/year.

² Not annualized.

³ Annualized.

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

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited)

NOTE 1 – ORGANIZATION

BlueStar Israel Technology ETF (the “Fund”) is a series of ETF Managers Trust (the “Trust”), an open-end management investment company consisting of multiple investment series, organized as a Delaware statutory trust on July 1, 2009. The Trust is registered with 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 (“Shares”) is registered under the Securities Act of 1933, as amended (the “Securities Act”). The Fund seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the BlueStar Israel Global Technology Index™ (BIGITech™ or the “Index”). The Fund commenced operations on November 2, 2015.

The Fund currently offers one class of shares, which has no front end sales load, no deferred sales charges, and no redemption fees. 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.

Shares of the Fund are listed and traded on the NYSE Arca, Inc. Market prices for the Shares may be different from their net asset value (“NAV”). The Fund issues and redeems Shares on a continuous basis at NAV only in blocks of 50,000 shares, called “Creation Units.” Creation Units are issued and redeemed principally in-kind for securities included in the Index. Once created, Shares generally trade in the secondary market at market prices that change throughout the day in quantities less than a Creation Unit. Except when aggregated in Creation Units, Shares are not redeemable securities of the Fund. Shares of the Fund may only be purchased or redeemed by certain financial institutions (“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 DTC 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 may be subject to customary brokerage commissions or fees.

Authorized Participants transacting in Creation Units for cash may pay an additional variable charge to compensate the relevant Fund for certain transaction costs (i.e., brokerage costs) and market impact expenses relating to investing in portfolio securities. Such variable charges, if any, are included in “Transaction Fees” in the Statements of Changes in Net Assets.

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”).

The Fund follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board Accounting Standard Codification Topic 946 Financial Services – Investment Companies.

The Fund may invest in certain other investment companies (underlying funds). For more information about the underlying fund’s operations and policies, please refer to those funds’ semiannual and annual reports, which are filed with the SEC.

- A. *Security Valuation.* Securities listed on a securities exchange, market or automated quotation system for which quotations are readily available (except for securities traded on NASDAQ),

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited) (Continued)

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 pm Eastern Time 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. For securities traded on NASDAQ, the NASDAQ Official Closing Price will be used.

Securities for which quotations are not readily available are valued at their respective fair values as determined in good faith by ETF Managers Group, LLC (the "Adviser"), using procedures adopted by the Board of Trustees (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 pricing procedures adopted by the Fund's Board. The use of fair value pricing by the Fund may cause the NAV of its shares to differ significantly from the NAV that would be calculated without regard to such considerations. As of March 31, 2023, the Fund did not hold any fair valued securities.

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.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited) (Continued)

The following is a summary of the inputs used to value the Fund's net assets as of March 31, 2023:

BlueStar Israel Technology ETF

Assets [^]	Level 1	Level 2	Level 3	Total
Common Stocks	\$103,290,920	\$ —	\$ —	\$103,290,920
Short-Term Investments	663,281	—	—	663,281
Investments Purchased with Securities Lending Collateral*	—	—	—	27,054,288
Total Investments in Securities	<u>\$103,954,201</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$131,008,489</u>

[^] See Schedule of Investments for classifications by country and industry.

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Schedule of Investments.

B. *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 provisions for federal income taxes or excise taxes have been made.

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

Net capital losses incurred after October 31, within the taxable year are deemed to arise on the first business day of the Fund's next taxable year.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. The Fund has analyzed its tax position and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions expected to be taken in the Fund's 2022 tax returns. The Fund identifies its major tax jurisdictions as U.S. Federal, the State of New Jersey, and the State 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 in the next twelve months.

As of March 31, 2023, management has reviewed the tax positions for open periods (for federal purposes, three years from the date of filing and for state purposes, generally a range of three to four years from the date of filing) as applicable to the Fund, and has determined that no provision for income tax is required in the Fund's financial statements.

C. *Security 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. Interest income is recorded on an accrual basis. Income, including gains, from investments in foreign securities received by the Fund may be subject to income, withholding or other taxes imposed by foreign countries.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited) (Continued)

- D. *Foreign Currency Translations and Transactions.* The Fund may engage in foreign currency transactions. Foreign currency transactions are translated into U.S. dollars on the following basis: (i) market value of investment securities, assets and liabilities at the daily rates of exchange, and (ii) purchases and sales of investment securities, dividend and interest income and certain expenses at the rates of exchange prevailing on the respective dates of such transactions. For financial reporting purposes, the Fund does not isolate changes in the exchange rate of investment securities from the fluctuations arising from changes in the market prices of securities for unrealized gains and losses. However, for federal income tax purposes, the Fund does isolate and treat as ordinary income the effect of changes in foreign exchange rates on realized gains or losses from the sale of investment securities and payables and receivables arising from trade-date and settlement-date differences.
- E. *Distributions to Shareholders.* Distributions to shareholders from net investment income, if any are generally declared and paid by the Fund on a quarterly basis. Net realized gains on securities of the Fund normally are declared and paid on an annual basis. Distributions are recorded on the ex-dividend date.
- F. *Use of Estimates.* The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.
- G. *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 and other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding of the Fund, rounded to the nearest cent. The Fund's shares will not be priced on the days on which the NYSE is closed for trading. The offering and redemption price per share for the Fund is equal to the Fund's NAV share.
- H. *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.

NOTE 3 – RISK FACTORS

Investing in the BlueStar Israel Technology ETF may involve certain risks, as discussed in the Fund's prospectus, including, but not limited to, those described below. Any of these risks could cause an investor to lose money.

Market Risk. Financial markets rise and fall in response to a variety of factors, sometimes rapidly and unpredictably. As with any investment whose performance is tied to these markets, the value of an investment in a fund will fluctuate, which means that an investor could lose money over short or long periods.

Investment Style Risk. The Fund is not actively managed. Therefore, the Fund follows the securities included in its respective index during upturns as well as downturns. Because of its indexing strategy, the Fund does not take steps to reduce market exposure or to lessen the effects of a declining market. In addition, because of the Fund's expenses, the Fund's performance may be below that of its index.

Equity Risk. The prices of equity securities rise and fall daily. These price movements may result from factors affecting individual companies, industries or the securities market as a whole. In addition,

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited) (Continued)

equity markets tend to move in cycles which may cause stock prices to fall over short or extended periods of time.

Securities Lending Risk. Securities lending involves the risk of loss of rights in, or delay in recovery of, the loaned securities if the borrower fails to return the security loaned or becomes insolvent.

Concentration Risk. To the extent that the Fund's or its underlying index's portfolio is concentrated in the securities of issuers in a particular market, industry, group of industries, sector or asset class, the Fund may be adversely affected by the performance of those securities, may be subject to increased price volatility and may be more vulnerable to adverse economic, market, political or regulatory occurrences affecting that market, industry, group of industries, sector or asset class.

Natural Disaster/Epidemic Risk. Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and other severe weather related phenomena generally, and widespread disease, including pandemics and epidemics (for example, the novel coronavirus COVID-19), have been and can be highly disruptive to economies and markets and have recently led, and may continue to lead, to increased market volatility and significant market losses. Such natural disaster and health crises could exacerbate political, social, and economic risks previously mentioned, and result in significant breakdowns, delays, shutdowns, social isolation, and other disruptions to important global, local and regional supply chains affected, with potential corresponding results on the operating performance of the Fund and its investments. A climate of uncertainty and panic, including the contagion of infectious viruses or diseases, may adversely affect global, regional, and local economies and reduce the availability of potential investment opportunities, and increases the difficulty of performing due diligence and modeling market conditions, potentially reducing the accuracy of financial projections. Under these circumstances, the Fund may have difficulty achieving its investment objective which may adversely impact performance. Further, such events can be highly disruptive to economies and markets, significantly disrupt the operations of individual companies (including, but not limited to, the Fund's third party service providers), sectors, industries, markets, securities and commodity exchanges, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Fund's investments. These factors can cause substantial market volatility, exchange trading suspensions and closures and can impact the ability of the Fund to complete redemptions and otherwise affect Fund performance and Fund trading in the secondary market. A widespread crisis may also affect the global economy in ways that cannot necessarily be foreseen at the current time. How long such events will last and whether they will continue or recur cannot be predicted. Impacts from these events could have significant impact on the Fund's performance, resulting in losses to the Fund.

On February 24, 2022, Russia commenced a military attack on Ukraine. The outbreak of hostilities between the two countries could result in more widespread conflict and could have a severe adverse effect on the region and the markets. In addition, sanctions imposed on Russia by the United States and other countries, and any sanctions imposed in the future could have a significant adverse impact on the Russian economy and related markets. The price and liquidity of investments may fluctuate widely as a result of the conflict and related events. How long such conflict and related events will last and whether it will escalate further cannot be predicted, nor its effect on the Fund.

A complete description of the principal risks is included in the Fund's prospectus under the heading "Principal Investment Risks."

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited) (Continued)

NOTE 4 – MANAGEMENT AND OTHER CONTRACTS

The Adviser serves as the investment advisor to the Fund. Pursuant to an Investment Advisory Agreement (“Advisory Agreement”) between the Trust, on behalf of the Fund, and the Adviser, the Adviser provides investment advice to the Fund and oversees the day-to-day operations of the Fund, subject to the direction and control of the Board and the officers of the Trust.

Under the Investment Advisory Agreement with the Fund, the Adviser has overall responsibility for the general management and administration of the Fund and arranges for sub-advisory, transfer agency, custody, fund administration, securities lending, and all other non-distribution related services necessary for the Fund to operate. The Adviser bears the costs of all advisory and non-advisory services required to operate the Fund, in exchange for a single unitary fee. For services provided the Fund pays the Adviser at an annual rate of 0.75% of the Fund’s average daily net assets. Under the Investment Advisory Agreement, the Adviser has agreed to pay all expenses of the Fund, except for: the fee paid to the Adviser pursuant to the Investment Advisory Agreement, interest charges on any borrowings, 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, and distribution (12b-1) fees and expenses (collectively, “Excluded Expenses”). The Adviser has entered into an agreement with its affiliate, ETFMG Financial, LLC, to serve as distributor to the Fund (the “Distributor”). The Distributor provides marketing support for the Fund, including distributing marketing materials related to the Fund.

The Adviser has entered into an Agreement with BlueStar Global Investors LLC (“BlueStar”), under which BlueStar agrees to sublicense the use of the Underlying Index from BlueStar Indexes for use by the Adviser and the Fund. BlueStar also provides marketing support for the Fund, including distributing marketing materials related to the Fund. BlueStar does not make investment decisions, provide investment advice, or otherwise act in the capacity of an investment adviser to the Fund. Additionally, BlueStar is not involved in the maintenance of the Underlying Index and does not otherwise act in the capacity of an index provider.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services (the “Administrator”), provides fund accounting, fund administration, and transfer agency services to the Fund. The Adviser compensates the Administrator for these services under an administration agreement between the two parties.

The Adviser pays each independent Trustee a quarterly fee for service to the Fund. Each Trustee is also reimbursed by the Adviser for all reasonable out-of-pocket expenses incurred in connection with his duties as Trustee, including travel and related expenses incurred in attending Board meetings.

NOTE 5 – DISTRIBUTION PLAN

The Fund has adopted a Plan of Distribution pursuant to Rule 12b-1 under the 1940 Act. Under the Plan, the Fund may pay compensation to the Distributor or any other distributor or financial institution with which the Trust has an agreement with respect to the Fund, with the amount of such compensation not to exceed an annual rate of 0.25% of each Fund’s average daily net assets. For the period ended March 31, 2023, the Fund did not incur any 12b-1 expenses.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited) (Continued)

NOTE 6 - PURCHASES AND SALES OF SECURITIES

The costs of purchases and sales of securities, excluding short-term securities and in-kind transactions, for the period ended March 31, 2023:

	<u>Purchases</u>	<u>Sales</u>
BlueStar Israel Technology ETF	\$10,761,923	\$9,722,216

The costs of purchases and sales of in-kind transactions associated with creations and redemptions for the period ended March 31, 2023:

	<u>Purchases In-Kind</u>	<u>Sales In-Kind</u>
BlueStar Israel Technology ETF	\$ 2,241,381	\$19,953,570

Purchases in-kind are the aggregate of all in-kind purchases and sales in-kind are the aggregate of all proceeds from in-kind sales. Net capital gains or losses resulting from in-kind redemptions are excluded from the determination of the Fund's taxable gains and are not distributed to shareholders.

There were no purchases or sales of U.S. Government obligations for the period ended March 31, 2023.

NOTE 7 — SECURITIES LENDING

The Fund may lend up to 33 1/3% of the value of the securities in its portfolio to brokers, dealers and financial institutions (but not individuals) under terms of participation in a securities lending program administered by U.S. Bank N.A. ("the Custodian"). The securities lending agreement requires that loans are collateralized at all times in an amount equal to at least 102% of the value of any loaned securities at the time of the loan, plus accrued interest. The Fund receives compensation in the form of fees and earns interest on the cash collateral. The amount of fees depends on a number of factors including the type of security and length of the loan. The Fund continues to receive interest payments or dividends on the securities loaned during the borrowing period. Gain or loss in the fair value of securities loaned that may occur during the term of the loan will be for the account of the Fund. The Fund has the right under the terms of the securities lending agreement to recall the securities from the borrower on demand. The cash collateral is invested by the Custodian in accordance with approved investment guidelines. Those guidelines require the cash collateral to be invested in readily marketable, high quality, short-term obligations, either directly on behalf of the Fund or through one or more joint accounts, money market funds, or short-term bond funds, including those advised by or affiliated with the Adviser; however, all such investments are subject to risk of payment delays or default on the part of the issuer or counterparty or otherwise may not generate sufficient interest to support the costs associated with securities lending. Other investment companies in which the Fund may invest cash collateral can be expected to incur fees and expenses for operations, such as investment advisory and administration fees, which would be in addition to those incurred by the Fund, and which may be received in full or in part by the Adviser. Pursuant to guidance issued by the SEC staff, fees and expenses of money market funds used for cash collateral received in connection with loans of securities are not treated as Acquired Fund Fees and Expenses, which reflect a fund's pro rata share of the fees and expenses incurred by other investment companies in which the Fund invests (as disclosed in the Prospectus, as applicable). The Fund could also experience delays in recovering its securities and possible loss of income or value if the borrower fails to return the borrowed securities, although the Fund is indemnified from this risk by contract with the securities lending agent.

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited) (Continued)

As of March 31, 2023, the value of the securities on loan and payable for collateral due to broker were as follows:

Value of Securities on Loan Collateral Received

<u>Fund</u>	<u>Values of Securities on Loan</u>	<u>Fund Collateral Received*</u>
BlueStar Israel Technology ETF	\$26,803,632	\$27,054,288

* The cash collateral received was invested in the Mount Vernon Liquid Assets Portfolio, an investment with an overnight and continuous maturity, as shown on the Schedule of Investments.

NOTE 8 – FEDERAL INCOME TAXES

The components of distributable earnings (losses) and cost basis of investments for federal income tax purposes at September 30, 2022, the Fund's most recent fiscal year end, were as follows:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation (Depreciation)</u>	
BlueStar Israel Technology ETF	\$186,363,170	\$10,069,196	\$(54,372,210)	\$ (44,303,014)	
	<u>Undistributed Ordinary Income</u>	<u>Undistributed Long-Term Gain</u>	<u>Total Distributable Earnings</u>	<u>Other Accumulated (Loss)</u>	<u>Total Accumulated Gain</u>
BlueStar Israel Technology ETF	\$ —	\$ —	\$ —	\$(14,558,005)	\$(58,861,019)

As of September 30, 2022, the Fund's most recent fiscal year end, the Fund had accumulated capital loss carryovers of:

	<u>Capital Loss Carryover ST</u>	<u>Capital Loss Carryover LT</u>	<u>Expires</u>
BlueStar Israel Technology ETF	\$(8,423,196)	\$(6,134,402)	Indefinite

Under current tax law, capital and currency losses realized after October 31 of a fund's fiscal year may be deferred and treated as occurring on the first business day of the following fiscal year for tax purposes. The Fund had deferred post-October capital and currency losses, which will be treated as arising on the first business day of the year ended September 30, 2022, the Fund's most recent fiscal year end, as follows:

	<u>Later Year Ordinary Loss</u>	<u>Post-October Loss</u>
BlueStar Israel Technology ETF	None	None

BlueStar Israel Technology ETF

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 (Unaudited) (Continued)

The tax character of distributions paid by the Fund during the fiscal period ended March 31, 2023 and fiscal year ended September 30, 2022 are as follows:

	Period Ended March 31, 2023		Year Ended September 30, 2022	
	From Ordinary Income	From Capital Gains	From Ordinary Income	From Capital Gains
BlueStar Israel Technology ETF	\$ —	\$ —	\$ —	\$ —

NOTE 9 – LEGAL MATTERS

The Trust, the Adviser, and certain officers and affiliated persons of the Adviser (together with the Adviser, the “Adviser Defendants”) were named as defendants in an action filed December 21, 2021, in the Superior Court of New Jersey, Union County, captioned PureShares, LLC, d/b/a PureFunds et al. v. ETF Managers Group, LLC et al., Docket No. UNN-C-152-21 (the “NJ Action”). The NJ Action asserted breach of contract and other tort claims and sought damages in unspecified amounts and injunctive relief. On May 25, 2022, the court in the NJ Action dismissed with prejudice all claims asserted against the Trust, as well as all contract claims and all except one tort claim asserted against the Adviser Defendants.

As of March 31, 2023, there were no adjustments made to the accompanying financial statements based on the above legal matters.

NOTE 10 – SUBSEQUENT EVENTS

In preparing these financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. This evaluation did not result in any subsequent events that necessitated disclosures and/or adjustments to the Financial Statements.

BlueStar Israel Technology ETF

APPROVAL OF ADVISORY AGREEMENT AND BOARD CONSIDERATIONS **For the Period Ended March 31, 2023 (Unaudited)**

Pursuant to Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), at a meeting held on March 23, 2023, and continued on March 29, 2023, the Board of Trustees (the “Board”) of ETF Managers Trust (the “Trust”) considered the renewal of the Amended and Restated Investment Advisory Agreement (the “Advisory Agreement”) between ETF Managers Group LLC (the “Adviser”) and the Trust, on behalf of BlueStar Israel Technology ETF (the “Fund”).

Pursuant to Section 15(c) of the 1940 Act, the Board must annually review and approve the Advisory Agreement after its initial two-year term: (i) by the vote of the Trustees or by a vote of the shareholders of the Fund; and (ii) by the vote of a majority of the Trustees who are not parties to the Advisory Agreement or “interested persons” of any party thereto, as defined in the 1940 Act (the “Independent Trustees”), cast in person at a meeting called for the purpose of voting on such approval. Each year, the Board calls and holds a meeting to decide whether to renew the Advisory Agreement for an additional one-year term. In preparation for such meeting, the Board requests and reviews a wide variety of information from the Adviser.

In reaching its decision, the Board, including the Independent Trustees, considered all factors it believed relevant, including: (i) the nature, extent and quality of the services provided to the Fund by the Adviser; (ii) the investment performance of the Fund; (iii) the Adviser’s costs and profits realized in providing services to the Fund, including any fall-out benefits enjoyed by the Adviser; (iv) comparative fee and expense data for the Fund in relation to other similar investment companies; (v) the extent to which economies of scale would be realized as the Fund grows and whether the advisory fees for the Fund reflects these economies of scale for the benefit of the Fund; and (vi) other financial benefits to the Adviser and its affiliates resulting from services rendered to the Fund. The Board’s review included written and oral information furnished to the Board prior to and at the meeting held on March 23 and 29, 2023, and throughout the year. Among other things, the Adviser provided responses to a detailed series of questions, which included information about the Adviser’s operations, service offerings, personnel, risk assessment and compliance program and financial condition. The Board then discussed the written and oral information that it received before the meeting and throughout the year, and the Adviser’s oral presentations and any other information that the Board received at the meeting, and deliberated on the renewal of the Advisory Agreement in light of this information.

The Independent Trustees were assisted throughout the contract review process by independent legal counsel. The Independent Trustees relied upon the advice of such counsel and their own business judgment in determining the material factors to be considered in evaluating the renewal of the Advisory Agreement, and the weight to be given to each such factor. The conclusions reached with respect to the Advisory Agreement were based on a comprehensive evaluation of all the information provided and not any single factor. Moreover, each Trustee may have placed varying emphasis on particular factors in reaching conclusions with respect to the Fund. The Independent Trustees conferred amongst themselves and independent legal counsel during an executive session held prior to the meeting and also conferred in executive sessions both with and without representatives of management before and during the meeting. The Independent Trustees requested, received and considered additional information arising out of these executive sessions.

Nature, Extent and Quality of Services Provided by the Adviser

The Trustees considered the scope of services provided under the Advisory Agreement, noting that the Adviser provides investment management services to the Fund. The Board discussed the responsibilities of the Adviser, including: responsibility for the general management of the day-to-day investment and reinvestment of the assets of the Fund; determining the daily baskets of deposit securities and cash components; executing portfolio security trades for purchases and redemptions of Fund shares conducted on a cash-in-lieu basis; responsibility for daily monitoring of tracking error and quarterly reporting to the Board, including with respect to liquidity; and implementation of Board directives as they relate to the Fund. In considering the nature, extent and quality of the services

APPROVAL OF ADVISORY AGREEMENT AND BOARD CONSIDERATIONS
For the Period Ended March 31, 2023 (Unaudited) (Continued)

provided by the Adviser, the Board considered the qualifications, experience and responsibilities of the Adviser's investment personnel and the quality of the Adviser's compliance and risk assessment infrastructure. The Board also considered the Adviser's experience managing exchange-traded funds ("ETFs"), as well as the Adviser's response to recent market volatility and uncertainty. The Board then considered the Adviser's financial resources and information regarding the Adviser's ability to support its management of the Fund and obligations under the unified fee arrangement, noting that the Adviser had provided its financial statements and other information about its financial commitments for the Board's review.

The Board also considered other services provided to the Fund, such as overseeing the Fund's service providers, monitoring adherence to the Fund's investment restrictions, and monitoring compliance with various policies and procedures and with applicable securities laws.

Based on the factors above, as well as those discussed below, the Board concluded that it was satisfied with the nature, extent and quality of the services provided to the Fund by the Adviser.

Historical Performance

The Board then considered the performance of the Fund over various time periods ended December 31, 2022, including the one-year, three-year, five-year and since inception periods. The Board also considered the Fund's performance as compared to that of comparable ETFs, as determined by the Adviser ("peer group") using data received from an independent third party. The Board additionally reviewed the performance of the Fund's underlying index for various time periods. The Board noted management's explanation that analysis of investment performance, in absolute terms, is less relevant for the Fund than it is for actively managed funds, given the Fund's index-based investment objectives. The Board also noted management's further explanation that it is more relevant to review the performance of the Fund by focusing on the extent to which the Fund tracked its underlying index. The Board reviewed information regarding the Fund's index tracking, discussing, as applicable, factors which contributed to the Fund's tracking error. The Board noted that the Fund had underperformed its underlying index over certain periods, but that such underperformance was, at least in part, a result of costs incurred by the Fund not incurred by its underlying index. The Board considered other factors that contributed to the Fund's tracking error, including cash drag and the process of rebalancing the Fund's portfolio. The Board noted management's representations that the Fund's performance in tracking its underlying index was within the range of expectations. The Board concluded that, after taking these factors into account, the Fund satisfactorily tracked its underlying index. The Board further noted that it had received and would continue to receive regular reports regarding the Fund's performance, including with respect to its tracking error, at its quarterly meetings.

Cost of Services Provided, Profits and Economies of Scale

The Board reviewed the advisory fee for the Fund and compared it to the total operating expenses of comparable ETFs, as determined by the Adviser using data received from an independent third party. Among other information, the Board noted that the advisory fee for the Fund is higher than the average and median expense ratios for its peer group. The Trustees also considered the total expense ratios of other ETFs that they considered to be comparable, based on the investment objectives and strategies of the ETFs. The Board took into consideration management's discussion of the fees, including the research involved in the construction of the underlying index.

The Board noted the importance of the fact that the advisory fee for the Fund is a "unified fee," meaning that the shareholders of the Fund pay no expenses other than the advisory fee and certain other costs such as interest charges on any borrowings, 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 (such as, among other things and subject to Board approval, non-standard Board-related expenses and litigation against the Board, Trustees, Fund, Adviser, and officers of the Adviser), and distribution

APPROVAL OF ADVISORY AGREEMENT AND BOARD CONSIDERATIONS
For the Period Ended March 31, 2023 (Unaudited) (Continued)

(12b-1) fees and expenses. The Board also noted that the Adviser was responsible for compensating the Trust's other service providers and paying the Fund's other expenses (except as noted above) out of its own fees and resources. The Board concluded that the advisory fee for the Fund is reasonable in light of the factors considered.

The Board also evaluated the compensation and other benefits received by the Adviser from its relationship with the Fund, taking into account profitability information provided by the Adviser. The Board received and reviewed profitability information with respect to the Fund and considered how profit margins could affect the Adviser's long-term viability and ability to attract and retain high-quality personnel. The Board also considered the impact on the Adviser's profitability of payments made to partners involved with the Fund. Based on the information provided to the Trustees, the Trustees concluded that the net revenue retained by the Adviser from providing services to the Fund was not excessive in view of the nature, extent and quality of services provided to the Fund. The Board further considered other benefits derived by the Adviser and its affiliates from the Adviser's relationship with the Fund.

In addition, the Board considered whether economies of scale may be realized for the Fund. The Board noted that the Adviser regularly considers whether fee reductions are appropriate as the Fund grows in size. The Board noted that a unitary fee provides a level of certainty in expenses for the Fund and effectively acts as a cap on the fees and expenses (except as noted above) that are borne by the Fund. The Board concluded that no changes to the advisory fee structure of the Fund were necessary.

In its deliberations, the Board did not identify any single piece of information discussed above that was all-important, controlling or determinative of its decision.

Based on the Board's deliberations and its evaluation of the information described above, the Board, including the Independent Trustees, unanimously: (a) concluded that the terms of the Advisory Agreement are fair and reasonable; (b) concluded that the Adviser's fees are reasonable in light of the services that the Adviser provides to the Fund; and (c) approved the renewal of the Advisory Agreement for another year.

BlueStar Israel Technology ETF

EXPENSE EXAMPLE

Period Ended March 31, 2023 (Unaudited)

As a shareholder of BlueStar Israel Technology ETF (the "Fund") you incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares, and (2) ongoing costs, including management fees and other Fund expenses. These examples are 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 (October 1, 2022 to March 31, 2023).

Actual Expenses

The first line of the table provides information about actual account values based on actual returns and actual 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 Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table provides information about hypothetical account values based on a hypothetical return 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 Fund shares. Therefore, the second line of the 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.

Fund Name	Beginning Account Value October 1, 2022	Ending Account Value March 31, 2023	Expenses Paid During the Period[^]	Annualized Expense Ratio During the Period October 1, 2022 to March 31, 2023
BlueStar Israel Technology ETF				
Actual	\$ 1,000.00	\$ 1,051.40	\$ 3.84	0.75%
Hypothetical (5% annual)	1,000.00	1,021.19	3.78	0.75%

[^] The dollar amounts shown as expenses paid during the period are equal to the annualized six-month expense ratio multiplied by the average account value during the period, multiplied by 182/365 (to reflect the one-half year period).

BlueStar Israel Technology ETF

STATEMENT REGARDING LIQUIDITY RISK MANAGEMENT PROGRAM Period Ended March 31, 2023 (Unaudited)

ETF Managers Trust (the “Trust”) has adopted a liquidity risk management program (the “Program”). The Trust’s Board of Trustees (the “Board”) has designated ETF Managers Group LLC (the “Program Administrator”) as the administrator of the Program. The Program Administrator has designated a committee (the “Committee”), composed of personnel from multiple departments, including investment operations and compliance, that is responsible for the implementation and ongoing administration of the Program, which includes assessing the liquidity risk of the BlueStar Israel Technology ETF (the “Fund”) under both normal and reasonably foreseeable stressed conditions.

Under the Program, the Program Administrator assesses, manages and periodically reviews the Fund’s liquidity risk, based on factors specific to the circumstances of the Fund. Liquidity risk is the risk that the Fund could not meet shareholder redemption requests without significant dilution of remaining shareholders’ interests in the Fund. This risk is managed by monitoring the degree of liquidity of the Fund’s investments and limiting the amount of the Fund’s illiquid investments, among other means. The Program Administrator’s process of determining the degree of liquidity of the Fund’s investments is supported by one or more third-party liquidity assessment vendors.

At a meeting of the Board on March 23, 2023, the Program Administrator provided a written report to the Board addressing the operation, and the adequacy and effectiveness of the implementation, of the Program, including, the operation of any Highly Liquid Investment Minimum, where applicable, and any material changes to the Program, for the period from March 1, 2022 through March 1, 2023 (the “Reporting Period”). No significant liquidity events impacting the Fund were noted in the report and it was represented that, as of December 31, 2022, the Fund was primarily highly liquid and, during the Reporting Period, the Fund held less than 15% in illiquid securities. In addition, the Program Administrator provided its assessment that Program implementation was effective and that the Program operated adequately and effectively to enable the Program Administrator to oversee and manage liquidity risk and ensure the Fund is able to meet requests to redeem shares without significant dilution to the remaining investors’ interest in the Fund.

There can be no assurance that the Program will achieve its objectives in the future. Please refer to the Fund’s prospectus for more information regarding the Fund’s exposure to liquidity risk and other principal risks to which an investment in the Fund may be subject.

BlueStar Israel Technology ETF

SUPPLEMENTARY INFORMATION

March 31, 2023 (Unaudited)

NOTE 1 – FREQUENCY DISTRIBUTION OF PREMIUMS AND DISCOUNTS

Information regarding how often shares of the Fund traded on the Exchange at a price above (i.e., at a premium) or below (i.e., at a discount) the NAV is available on the Fund's website at www.etfmgfunds.com.

NOTE 2 – FEDERAL TAX INFORMATION

Qualified Dividend Income/Dividends Received Deduction

For the fiscal year ended September 30, 2022, certain dividends paid by the Fund may be subject to a maximum tax rate of 15%, as provided for by the Jobs and Growth Tax Reconciliation Act of 2003. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Fund Name	Qualified Dividend Income
Bluestar Israel Technology ETF	0.00%

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended September 30, 2022 was as follows:

Fund Name	Dividends Received Deduction
Bluestar Israel Technology ETF	0.00%

Short Term Capital Gain

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871 (k)(2)(C) for the Fund was as follows:

Fund Name	Short-Term Capital Gain
Bluestar Israel Technology ETF	0.00%

NOTE 3 – INFORMATION ABOUT PORTFOLIO HOLDINGS

The Fund files a complete schedule of portfolio holdings with the SEC for its first and third fiscal quarters on Part F of Form N-PORT. Once filed, the Fund's Part F of Form N-PORT is available without charge, upon request on the SEC's website (www.sec.gov), the Fund's website (www.etfmgfunds.com) and is available by calling (877) 756-7873. The Fund's portfolio holdings are posted on the Fund's website www.etfmgfunds.com daily.

SUPPLEMENTARY INFORMATION

March 31, 2023 (Unaudited) (Continued)

NOTE 4 – INFORMATION ABOUT PROXY VOTING

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities is provided in the Statement of Additional Information (“SAI”). The SAI is available without charge upon request by calling toll-free at 1-844-ETF-MGRS (1-844-383-6477), by accessing the SEC’s website at www.sec.gov, or by accessing the Fund’s website at www.etfmgfunds.com.

Information regarding how the Fund voted proxies relating to portfolio securities during the period ending June 30 is available by calling toll-free at 1-844-ETF-MGRS (1-844-383-6477) or by accessing the SEC’s website at www.sec.gov.

Carefully consider the Fund’s investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in the Fund’s prospectus, which may be obtained by calling 1-844-ETF-MGRS (1-844-383-6477) or by visiting www.etfmgfunds.com. Read the prospectus carefully before investing.

BlueStar Israel Technology ETF

Board of Trustees

Set forth below are the names, birth years, positions with the Trust, length of term of office, and the principal occupations and other directorships held during at least the last five years of each of the persons currently serving as a Trustee of the Trust, as well as information about each officer. The business address of each Trustee and officer is 30 Maple Street, 2nd Floor, Summit, New Jersey 07901. The SAI includes additional information about Fund directors and is available, without charge, upon request by calling 1-844-ETF-MGRS (1-844-383-6477).

Name and Year of Birth	Position(s) 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	Other Directorships Held by Trustee During Past 5 Years
Interested Trustee and Officers				
Samuel Masucci, III (1962)	Trustee, Chairman of the Board and President (since 2012); Secretary (since 2014)	Chief Executive Officer, Exchange Traded Managers Group LLC (since 2013); Chief Executive Officer, ETF Managers Group LLC (since 2016); Chief Executive Officer, ETF Managers Capital LLC (commodity pool operator) (since 2014).	15	None
John A. Flanagan, (1946)	Treasurer (since 2015)	President, John A. Flanagan CPA, LLC (accounting services) (since 2010); Treasurer, ETF Managers Trust (since 2015); Chief Financial Officer, ETF Managers Capital, LLC (commodity pool operator) (since 2015).	n/a	Independent Trustee - Absolute Shares Trust (since 2014) (4 portfolios)
Kevin Hourihan (1978)	Chief Compliance Officer (since 2022)	Senior Principal Consultant, Fund Chief Compliance Officer, ACA Global, LLC (since 2022); Chief Compliance Officer, Ashmore Funds (2017-2022); Chief Compliance Officer, Ashmore Investment Management (US) Corp (2014-2022); Chief Compliance Officer, Ashmore Equities Investment Management (2015-2019).	n/a	n/a
Matthew J. Bromberg (1973)	Assistant Secretary (since 2020)	Chief Compliance Officer of ETF Managers Group, LLC (since 2022); General Counsel and Secretary of Exchange Traded Managers Group LLC (since 2020); ETF Managers Group LLC (since 2020); ETFMG Financial LLC (since 2020); ETF Managers Capital LLC (since 2020); Partner of Dorsey & Whitney LLP (law firm) (2019-2020); General Counsel of WBI Investments, Inc. (2016-2019); Millington Securities, Inc. (2016-2019).	n/a	n/a
* Mr. Masucci is an interested Trustee by virtue of his role as the Chief Executive Officer of the Adviser.				

BlueStar Israel Technology ETF

Board of Trustees (Continued)

Name and Year of Birth	Position(s) 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	Other Directorships Held by Trustee During Past 5 Years
Benjamin F. Yuro (1990)	Assistant Treasurer (since 2022)	Product Controller, ETF Managers Group, LLC (since 2021); Senior Associate – Private Equity, SS&C Technologies (2020-2021); Senior Accountant – Financial Services, WithumSmith+Brown, PC (2016-2020).	n/a	n/a
Terry Loebs (1963)	Trustee (since 2014); Lead Independent Trustee (since 2020)	Founder and Managing Member, Pulsenomics LLC (index product development and consulting firm) (since 2011); Managing Director, MacroMarkets, LLC (exchange-traded products firm) (2006-2011).	15	None
Eric Wiegel (1960)	Trustee (since 2020)	Managing Partner, Global Focus Capital LLC (since 2013); Senior Portfolio Manager, Little House Capital (2019-2021); Chief Investment Officer, Insight Financial Strategist LLC (2017-2018).	15	None

Advisor

ETF Managers Group, LLC
30 Maple Street, Suite 2, Summit, NJ 07901

Distributor

ETFMG Financial LLC
30 Maple Street, Suite 2, Summit, NJ 07901

Custodian

U.S. Bank National Association

Custody Operations

1555 North River Center Drive, Suite 302, Milwaukee, Wisconsin 53212

Transfer Agent

U.S. Bancorp Fund Services, LLC doing business as U.S. Bank Global Fund Services
615 East Michigan Street, Milwaukee, Wisconsin 53202

Securities Lending Agent

U.S. Bank, National Association
Securities Lending
800 Nicolet Mall
Minneapolis, MN 55402-7020

Independent Registered Public Accounting Firm

WithumSmith + Brown, PC
1411 Broadway, 9th Floor, New York, NY 10018

Legal Counsel

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1666 K Street NW, Washington, DC 20006