

MJ[®]

Annual Report
September 30, 2020

ETFMG Alternative Harvest ETF

Ticker: MJ

Beginning on January 1, 2021, as permitted by regulations adopted by the SEC, paper copies of the Fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the Fund's reports from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. Please contact your financial intermediary to elect to receive shareholder reports and other Fund communications electronically.

You may elect to receive all future Fund reports in paper free of charge. Please contact your financial intermediary to inform them that you wish to continue receiving paper copies of Fund shareholder reports and for details about whether your election to receive reports in paper will apply to all funds held with your financial intermediary.

etfmg[™]

The fund is a series of ETF Managers Trust.

ETFMG Alternative Harvest ETF

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ETFMG Alternative Harvest ETF

Dear Shareholder,

On behalf of the entire team, we want to express our appreciation for the confidence you have placed in the ETFMG Alternative Harvest ETF (“MJ” or the “Fund”). The following information pertains to the year ended to September 30, 2020. During this period, market disruptions associated with the COVID-19 pandemic have had a global impact, and uncertainty regarding the long-term implications continues to exist. Such disruptions, along with various government orders and precautionary measures such as social distancing, business shutdowns and similar policies, led to a reduction in global economic activity. These policies have also resulted in periods of high market volatility which can adversely affect assets of the Fund and thus Fund performance. During the reporting period the COVID-19 pandemic contributed to approximately a five-fold increase in volatility for the broad market (represented by the Chicago Board Options Exchange Volatility Index).

The Fund seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the Prime Alternative Harvest Index (the “Index”).

Over the period, the total return for the Fund was -46.83%, while the total return for the Index was -50.41%. The best performers on the basis of contribution to return were Swedish Match AB, Atena Pharmaceuticals, and Scotts Miracle-Gro, while the worst performers were Hexo, Tilray, and Aurora Cannabis.

During the reporting period, the Fund saw an average approximate allocation of 67% of its total assets to Pharmaceuticals, 24% to Tobacco and 7% to Biotechnology.

We thank you for your interest in the Fund. You can find further details about MJ by visiting www.etfmg.com, or by calling 1-844-ETF-MGRS (1-844-383-6477).

Sincerely,



Samuel Masucci III
Chairman of the Board

ETFMG Alternative Harvest ETF
PORTFOLIO REVIEW (Unaudited)
September 30, 2020

The Fund's performance figures* for the periods ended September 30, 2020, as compared to its benchmarks:

	One Year	Annualized Three Year	Annualized Since Inception** - September 30, 2020
ETFMG Alternative Harvest ETF - NAV	(46.83)%	(27.68)%	(11.24)%
ETFMG Alternative Harvest ETF - Market Price	(46.65)%	(27.78)%	(11.91)%
S&P 500 Index *** (1)	15.15%	12.28%	13.05%
Solactive Latin America Real Estate Index/Prime Alternative Harvest Index **** (1)	(50.41)%	(28.34)%	(11.55)%
Total Fund Operating Expenses (2)			0.75%

*The Fund's past performance does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of the Fund shares. Current performance of the Fund may be lower or higher than the performance quoted. Returns are calculated using the traded Net Asset Value "NAV" on September 30, 2020. Performance data current to the most recent month end may be obtained by visiting www.etfmj.com or by calling 1-844-383-6477.

The Fund's per share NAV is the value of one share of the Fund as calculated in accordance with the standard formula for valuing shares. The NAV return is based on the NAV of the Fund and the market return is based on the market price per share of the Fund. The price used to calculate market return ("Market Price") is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of the Fund are listed for trading, as of the time that the Fund's NAV is calculated. Market and NAV returns assume that dividends and capital gain distributions have been reinvested in the Fund at Market Price and NAV, respectively. The Fund's total annual operating expenses are 0.75% per the January 31, 2020 prospectus. Please see the Financial Highlights for a more recent expense ratio.

** As of the close of business on the day of commencement of trading on December 3, 2015.

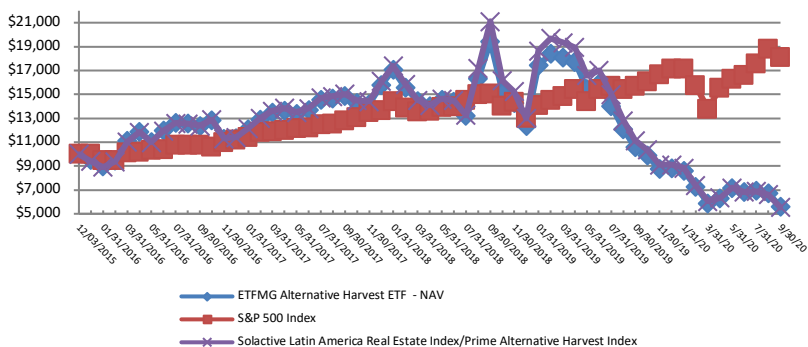
*** The S&P 500 Index is a widely accepted, unmanaged index of U.S. stock market performance which does not take into account charges, fees and other expenses.

**** Solactive Latin America Real Estate Index/Prime Alternative Harvest Index - The Index tracks real estate companies in the Latin-America region. Weights in these companies depend on market cap, dividend yield, and share liquidity. The higher the dividend yield and share liquidity, the higher the weight of the respective company in the index. The Prime Alternative Harvest Index has been created to provide investors with a product that enables them to take advantage of both event-driven news and long-term trends in the cannabis industry as well as the industries likely to be influenced by the medicinal and recreational cannabis legalization initiatives taking place in many locations globally.

(1) The return reflects the actual performance through September 30, 2020 (the last day of the fiscal year that the New York Stock Exchange was open) to maintain consistency with the Fund's net asset value calculations used for shareholder transactions. The table reflects performance of the Solactive Latin America Real Estate Index through December 26, 2017 and the Prime Alternative Harvest Index thereafter.

(2) The expense ratio is taken from the Fund's most recent prospectus dated January 31, 2020.

Comparison of the Change in Value of a \$10,000 Investment



Top Ten Holdings *

Security	% of Total Investments †
1 Canopy Growth Corporation	7.6%
2 Cronos Group, Inc.	7.5%
3 GW Pharmaceuticals plc	7.4%
4 Tilray, Inc.	6.4%
5 HEXO Corporation	4.7%
6 Aphria, Inc.	4.5%
7 Aurora Cannabis, Inc.	4.4%
8 Organigram Holdings, Inc.	4.1%
9 Arena Pharmaceuticals, Inc.	3.9%
10 Vector Group Ltd.	3.6%
Top Ten Holdings of Total Investments†	54.1%

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

† Percentage of total investments less cash.

Please refer to the Portfolio of Investments in this Annual Report for a detailed listing of the Fund's holdings

ETFMG Alternative Harvest ETF

September 30, 2020

Important Disclosures and Key Risk Factors

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

MJ

The ETFMG Alternative Harvest ETF (the "Fund") seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the Prime Alternative Harvest Index (the "Index").

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. The possession and use of marijuana, even for medical purposes, is illegal under federal and certain states' laws, which may negatively impact the value of the Fund's investments. Use of marijuana is regulated by both the federal government and state governments, and state and federal laws regarding marijuana often conflict. Even in those states in which the use of marijuana has been legalized, its possession and use remains a violation of federal law. Federal law criminalizing the use of marijuana pre-empts state laws that legalizes its use for medicinal and recreational purposes. Cannabis companies and pharmaceutical companies may never be able to legally produce and sell products in the United States or other national or local jurisdictions.

The Fund's investments will be concentrated in an industry or group of industries to the extent that the Index is so concentrated. In such event, the value of the Fund's shares may rise and fall more than the value of shares of a fund that invests in securities of companies in a broader range of industries. The consumer staples sector may be affected by the permissibility of using various product components and production methods, marketing campaigns and other factors affecting consumer demand. Tobacco companies, in particular, may be adversely affected by new laws, regulations and litigation. The consumer staples sector may also be adversely affected by changes or trends in commodity prices, which may be influenced or characterized by unpredictable factors.

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.

ETF Managers Group LLC is the investment advisor to the Fund.

The Fund is 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 is not affiliated with Prime Indexes.

ETFMG Alternative Harvest ETF

PORTFOLIO ALLOCATIONS

As of September 30, 2020

	ETFMG Alternative Harvest ETF
As a percent of Net Assets:	
Canada	45.1%
United States	33.5%
United Kingdom	13.9%
Japan	3.4%
Sweden	3.3%
Mexico	0.0%^
Short-Term and other Net Assets (Liabilities)	0.8%
	<u>100.0%</u>

^ Less than 0.05%.

ETFMG Alternative Harvest ETF

Schedule of Investments

September 30, 2020

	<u>Shares</u>	<u>Value</u>
COMMON STOCKS - 99.2%		
Canada - 45.1%		
Investment Companies - 7.6%		
Canopy Rivers, Inc. (a)	1,999,397	\$ 1,051,089
Cronos Group, Inc. (a) ^	7,321,147	<u>36,678,947</u>
Total Investment Companies		<u>37,730,036</u>
Pharmaceuticals - 37.5%		
Aphria, Inc. (a) ^	4,947,746	21,918,515
Aurora Cannabis, Inc. (a) ^	4,618,063	21,473,993
Auxly Cannabis Group, Inc. (a)	4,508,549	440,172
Canopy Growth Corp. (a) ^	2,617,512	37,482,772
Charlottes Web Holdings, Inc.	1,395,883	3,302,190
Green Organic Dutchman Holdings Ltd. (a) ^	19,983,083	3,676,809
HEXO Corp. (a) ^	35,381,048	23,316,111
MediPharm Labs Corp. (a) ^	7,497,753	4,955,145
Organigram Holdings, Inc. (a) ^	19,011,805	19,962,395
PharmaCielo Ltd. (a)	862,661	294,777
Sundial Growers, Inc. (a) ^	3,947,897	949,864
Supreme Cannabis Co., Inc. (a) ^	10,079,760	1,021,943
The Florr Corp. (a) ^	1,185,267	347,155
Tilray, Inc. (a) ^	6,465,484	31,357,597
Valens Groworks Corp. (a)	3,112,192	3,809,750
Village Farms International, Inc. (a) ^	2,519,911	11,541,192
Total Pharmaceuticals		<u>185,850,380</u>
Total Canada		<u>223,580,416</u>
Japan - 3.4%		
Tobacco - 3.4%		
Japan Tobacco, Inc.	922,776	<u>16,799,222</u>
Mexico - 0.0%		
Construction & Engineering - 0.0%		
Empresas ICA SAB de CV (a)(b)	155,893	<u>-</u>
Sweden - 3.3%		
Tobacco - 3.3%		
Swedish Match AB	202,544	<u>16,572,882</u>
United Kingdom - 13.9%		
Pharmaceuticals - 7.4%		
GW Pharmaceuticals PLC - ADR (a)	375,344	<u>36,539,738</u>
Tobacco - 6.5%		
British American Tobacco PLC	459,975	16,485,272
Imperial Brands PLC	911,073	<u>16,076,383</u>
Total Tobacco		<u>32,561,655</u>
Total United Kingdom		<u>69,101,393</u>

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

ETFMG Alternative Harvest ETF

Schedule of Investments

September 30, 2019 (Continued)

	<u>Shares</u>	<u>Value</u>
United States - 33.5%		
Biotechnology - 7.5%		
Arena Pharmaceuticals, Inc. (a)	257,829	\$ 19,283,031
Cara Therapeutics, Inc. (a)	647,082	8,234,118
Corbus Pharmaceuticals Holdings, Inc. (a) ^	3,649,648	6,569,366
Zynerba Pharmaceuticals Inc. (a) ^	891,025	2,949,293
Total Biotechnology		<u>37,035,808</u>
Chemicals - 3.2%		
Scotts Miracle-Gro Co.	101,724	15,554,617
Paper & Forest Products - 2.9%		
Schweitzer-Mauduit International, Inc.	490,912	14,918,816
Specialty Retail - 3.0%		
GrowGeneration Corporation	935,811	14,954,260
Tobacco - 16.9%		
22nd Century Group, Inc. (a) ^	9,962,568	6,384,014
Altria Group, Inc.	384,757	14,867,011
Philip Morris International, Inc.	206,568	15,490,534
Turning Point Brands, Inc.	483,383	13,486,386
Universal Corp.	378,897	15,868,206
Vector Group Ltd.	1,820,357	17,639,259
Total Tobacco		<u>83,735,410</u>
Total United States		<u>166,198,911</u>
TOTAL COMMON STOCKS (Cost \$990,765,082)		<u>492,252,824</u>
COLLATERAL FOR SECURITIES LOANED - 25.5% +		
Stock Loan Cash Collateral - 25.5%		
Stock Loan Cash Collateral (Cost \$126,295,063)		<u>126,295,063</u>
Total Investments (Cost \$1,117,060,145) - 124.7%		\$ 618,547,887
Liabilities in Excess of Other Assets - (24.7)%		<u>(122,577,090)</u>
NET ASSETS - 100.0%		<u>\$ 495,970,797</u>

Percentages are stated as a percent of net assets.

AB - Aktiebolag

ADR - American Depositary Receipt

PLC - Public Limited Company

(a) Non-income producing security.

(b) Includes a security that is categorized as Level 3 per the Trust's fair value hierarchy. This security represents \$0 or 0.00% of the Fund's net assets and is classified as a Level 3 security.

+ Total cash collateral has a value of \$126,295,063 as of September 30, 2020.

^ All or a portion of this security is out on loan as of September 30, 2020. Total value of securities out on loan is \$125,773,187.

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, Inc. and S&P,

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

ETFMG Alternative Harvest ETF

STATEMENT OF ASSETS AND LIABILITIES

As of September 30, 2020

ASSETS

Investments in securities, at value*	\$ 618,547,887
Cash	2,611,354
Foreign Cash	226,012
Receivables:	
Securities lending income receivable	640,460
Dividends and interest receivable	730,470
TOTAL ASSETS	<u><u>622,756,183</u></u>

LIABILITIES

Collateral received for securities loaned (Note 7)	126,295,063
Payables:	
Payable for investments purchased	213,023
Management fees payable	277,300
TOTAL LIABILITIES	<u><u>126,785,386</u></u>
NET ASSETS	<u><u>\$ 495,970,797</u></u>

NET ASSETS CONSIST OF:

Paid in capital	\$ 1,578,076,062
Total accumulated deficit	<u>(1,082,105,265)</u>
NET ASSETS	<u><u>\$ 495,970,797</u></u>

*Identified Cost:

Investments in securities	<u><u>\$ 1,117,060,145</u></u>
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NET ASSET VALUE PER SHARE:

Net Assets	\$ 495,970,797
Shares of beneficial interest outstanding (\$0 par value, unlimited shares authorized)	<u><u>47,850,000</u></u>
Net asset value (Net Assets ÷ Shares Outstanding)	<u><u>\$ 10.37</u></u>

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

ETFMG Alternative Harvest ETF

STATEMENT OF OPERATIONS

Year Ended September 30, 2020

INVESTMENT INCOME

Dividends (Net of Foreign tax withholdings of \$322,106)	\$ 9,478,278
Securities Lending Income	<u>33,492,542</u>
TOTAL INVESTMENT INCOME	<u>42,970,820</u>

EXPENSES

Management fees	<u>4,599,419</u>
TOTAL EXPENSES	<u>4,599,419</u>

NET INVESTMENT INCOME

38,371,401

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS

Net realized loss on:	
In-kind redemptions	(6,727,201)
Investments	(309,545,337)
Foreign currency transactions	<u>(232,176)</u>
	<u>(316,504,714)</u>

Net change in unrealized appreciation (depreciation) on:

Investments	(135,956,849)
Foreign currency translations	<u>14,177</u>
	<u>(135,942,672)</u>

NET REALIZED AND UNREALIZED LOSS ON INVESTMENTS

(452,447,386)

NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS

\$ (414,075,985)

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

ETFMG Alternative Harvest ETF

STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended September 30, 2020	Year Ended September 30, 2019
FROM OPERATIONS		
Net investment income	\$ 38,371,401	\$ 31,100,063
Net realized loss on investments and foreign currency transactions	(316,504,714)	(124,564,183)
Net change in unrealized depreciation on investments and foreign currency transactions	(135,942,672)	(487,112,889)
Net decrease in net assets resulting from operations	<u>(414,075,985)</u>	<u>(580,577,009)</u>
DISTRIBUTIONS TO SHAREHOLDERS		
Total distributions paid:	<u>(37,958,000)</u>	<u>(30,165,500)</u>
Net decrease in net assets resulting from distributions to shareholders	<u>(37,958,000)</u>	<u>(30,165,500)</u>
FROM SHARES OF BENEFICIAL INTEREST		
Proceeds from shares sold	203,682,152	1,088,901,300
Cost of shares redeemed	(56,673,991)	(357,641,447)
Transaction Fees (Note 1)	39,219	880,806
Net increase in net assets resulting from shares of beneficial interest	<u>147,047,380</u>	<u>732,140,659</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	(304,986,605)	121,398,150
NET ASSETS		
Beginning of Year	<u>800,957,402</u>	<u>679,559,252</u>
End of Year	<u>\$ 495,970,797</u>	<u>\$ 800,957,402</u>
SHARE ACTIVITY		
Shares Sold	13,200,000	32,250,000
Shares Redeemed	<u>(3,800,000)</u>	<u>(10,900,000)</u>
Net increase in shares of beneficial interest outstanding	9,400,000	21,350,000
Beginning Shares	<u>38,450,000</u>	<u>17,100,000</u>
Ending Shares	<u><u>47,850,000</u></u>	<u><u>38,450,000</u></u>

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

ETFMG Alternative Harvest ETF

FINANCIAL HIGHLIGHTS

For a capital share outstanding throughout the period/year

	Year Ended September 30, 2020	Year Ended September 30, 2019	Year Ended September 30, 2018	Year Ended September 30, 2017	Period Ended September 30, 2016 ⁽¹⁾
Net asset value, beginning of period	\$ 20.83	\$ 39.74	\$ 31.36	\$ 29.64	\$ 25.00
Activity from investment operations:					
Net investment income ⁽²⁾	0.91	1.02	0.37	0.57	0.98
Net realized and unrealized gain (loss) on investments	(10.49)	(18.96)	8.95	4.42	4.59
Total from investment operations	<u>(9.58)</u>	<u>(17.94)</u>	<u>9.32</u>	<u>4.99</u>	<u>5.57</u>
Less distributions from:					
Net investment income	(0.88)	(0.97)	(0.74)	(2.56)	(0.93)
Net realized gains	-	-	(0.20)	(0.71)	-
Total distributions	<u>(0.88)</u>	<u>(0.97)</u>	<u>(0.94)</u>	<u>(3.27)</u>	<u>(0.93)</u>
Net asset value, end of period	<u>\$ 10.37</u>	<u>\$ 20.83</u>	<u>\$ 39.74</u>	<u>\$ 31.36</u>	<u>\$ 29.64</u>
Total return ⁽³⁾⁽⁴⁾	<u>(46.83)%</u>	<u>(45.60)%</u>	<u>33.85%</u>	<u>20.23%</u>	<u>22.63%</u> ⁽⁶⁾
Net assets, at end of period (000s)	<u>\$ 495,971</u>	<u>\$ 800,957</u>	<u>\$ 679,559</u>	<u>\$ 6,271</u>	<u>\$ 2,964</u>
Ratio of net expenses to average net assets ⁽⁵⁾	0.75%	0.75%	0.75%	0.79%	0.79%
Ratio of net investment income to average net assets ⁽⁵⁾	6.27%	3.26%	1.18%	1.98%	5.88%
Portfolio Turnover Rate	46%	71%	97%	44%	44% ⁽⁶⁾

(1) Commencement of operations on December 2, 2015.

(2) Per share amounts calculated using the average shares method.

(3) Total return is calculated assuming a purchase of shares at net asset value on the first day and a sale at net asset value on the last day of the period. Distributions are assumed, for the purpose of this calculation, to be reinvested at the ex-dividend date net asset value per share on their respective payment dates.

(4) Includes adjustments in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset values and returns for shareholder transactions.

(5) Annualized for periods less than one year.

(6) Not annualized.

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

1. ORGANIZATION

ETFMG Alternative Harvest 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 commenced operations on December 2, 2015 as the Tierra XP Latin America Real Estate ETF. Effective December 26, 2017, the Board of Trustees of the Trust approved the following changes to the Fund: a) The Fund’s name was changed to the ETFMG Alternative Harvest ETF; b) the Fund’s underlying index, the Solactive Latin America Real Estate Index, was replaced with the Prime Alternative Harvest Index; c) The Fund’s investment objective was changed to the following: “The ETFMG Alternative Harvest ETF seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the Prime Alternative Harvest Index” (the “Index”); and d) the non-fundamental policy that, under normal circumstances, the Fund will not invest less than 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities of real estate related companies in Latin America was eliminated.

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 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 are subject to customary brokerage commissions or fees.

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

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.

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (Continued)

The Fund may invest in certain other investment companies (underlying funds). For specific investments in underlying funds, please refer to the complete schedule of portfolio holdings on Form N-CSR(S) for this reporting period, which is filed with the U.S. Securities and Exchange Commission (SEC). 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.

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), 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 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 net asset value of its shares to differ significantly from the net asset value that would be calculated without regard to such considerations. As of September 30, 2020, the Fund held one fair valued security which was valued by the board.

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 and 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 in 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.

ETFMG Alternative Harvest ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (Continued)

The following table presents a summary of the Funds' assets measured at fair value as of September 30, 2020:

ETFMG Alternative Harvest ETF

Assets [^]	Level 1	Level 2	Level 3	Total
Common Stocks	\$492,252,824	\$ -	\$ -(a)	\$492,252,824
Collateral for Securities Loaned*	-	-	-	126,295,063
Total Investments in Securities	<u>\$492,252,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$618,547,887</u>

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

(a) Includes a security valued at \$0.

The ETFMG Alternative Harvest ETF held a Level 3 security at the end of the period. The security classified as Level 3 is deemed immaterial.

* Certain investments that are measured at fair value using the net asset value 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.

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. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken in the Fund's September 30, 2017 – September 30, 2019 tax returns or expected to be taken in the Fund's September 30, 2020 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.

Management has reviewed the tax positions for open periods (for federal purposes, three years from the date of filing and for state purposes, 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.

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

September 30, 2020 (Continued)

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.

Distributions to shareholders – Distributions to shareholders from net investment income are declared and paid by the Fund on a quarterly basis. Distributions to Shareholders from 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.

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.

Share Valuation - The net asset value (“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 net asset value per share.

Guarantees and Indemnification – 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.

3. RISK FACTORS

Investing in the ETFMG Alternative Harvest 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.

United States Regulatory Risks of the Marijuana Industry: The possession and use of marijuana, even for medical purposes, is illegal under federal and certain states’ laws, which may negatively impact the value of the Fund’s investments. Use of marijuana is regulated by both the federal government and state governments, and state and federal laws regarding marijuana often conflict. Even in those states in which the use of marijuana has been legalized, its possession and use remains a violation of federal law. Federal law criminalizing the use of marijuana pre-empts state laws that legalizes its use for medicinal and recreational purposes. Members of the Trump Administration, including former Attorney General Jeff Sessions, have made statements indicating that the Trump

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (Continued)

Administration intends to take a harsher stance on federal marijuana laws. Any such change in the federal government's enforcement of current federal laws could adversely affect the ability of the companies in which the Fund invests to possess or cultivate marijuana, including in connection with pharmaceutical research, or it could shrink the customer pool for certain of the Fund's portfolio companies. Any of these outcomes would negatively affect the profitability and value of the Fund's investments. The Cannabis Companies and Pharmaceutical Companies may never be able to legally produce and sell products in the United States or other national or local jurisdictions.

Marijuana is a Schedule I controlled substance under the Controlled Substances Act ("CSA") (21 U.S.C. § 811), meaning that it has a high potential for abuse, has no currently "accepted medical use" in the United States, lacks accepted safety for use under medical supervision, and may not be prescribed, marketed or sold in the United States. No drug product containing natural cannabis or naturally-derived cannabis extracts have been approved by the FDA for use in the United States or obtained registrations from the United States Drug Enforcement Administration ("DEA") for commercial production and the DEA may never issue the registrations required for the commercialization of such products.

Facilities conducting research, manufacturing, distributing, importing or exporting, or dispensing controlled substances must be registered (licensed) to perform these activities and have the security, control, recordkeeping, reporting and inventory mechanisms required by the DEA to prevent drug loss and diversion. Failure to obtain the necessary registrations or comply with necessary regulatory requirements may significantly impair the ability of certain companies in which the Fund invests to pursue medical marijuana research or to otherwise cultivate, possess or distribute marijuana.

Non-U.S. Regulatory Risks of the Marijuana Industry - The companies in which the Fund invests are subject to various laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of marijuana, as well as being subject to laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Even if a company's operations are permitted under current law, they may not be permitted in the future, in which case such company may not be in a position to carry on its operations in its current locations. Additionally, controlled substance legislation differs between countries and legislation in certain countries may restrict or limit the ability of certain companies in which the Fund invests to sell their products.

Operational Risks of the Marijuana Industry - Companies involved in the marijuana industry face intense competition, may have limited access to the services of banks, may have substantial burdens on company resources due to litigation, complaints or enforcement actions, and are heavily dependent on receiving necessary permits and authorizations to engage in medical marijuana research or to otherwise cultivate, possess or distribute marijuana. Since the use of marijuana is illegal under United States federal law, federally regulated banking institutions may be unwilling to make financial services available to growers and sellers of marijuana.

Concentration Risk - The Fund's investments will be concentrated in an industry or group of industries to the extent that the Index is so concentrated. In such event, the value of the Fund's shares may rise and fall more than the value of shares of a fund that invests in securities of companies in a broader range of industries.

Consumer Staples Sector Risk - The consumer staples sector may be affected by the permissibility of using various product components and production methods, marketing campaigns and other factors affecting consumer demand. Tobacco companies, in particular, may be adversely affected by new laws, regulations and litigation. The consumer staples sector may also be adversely affected by changes or trends in commodity prices, which may be influenced or characterized by unpredictable factors.

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (Continued)

Equity Market Risk - The equity securities held in the Fund's portfolio may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors that affect securities markets generally or factors affecting specific issuers, industries, or sectors in which the Fund invests such as political, market and economic developments, as well as events that impact specific issuers.

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

Securities Lending Risk - Securities lending involves exposure to certain risks, including operational risk (i.e., the risk of losses resulting from problems in the settlement and accounting process), "gap" risk (i.e., the risk of a mismatch between the return on cash collateral reinvestments and the fees a Fund has agreed to pay a borrower), and credit, legal, counterparty and market risk. In the event a borrower does not return a Fund's securities as agreed, the Fund may experience losses if the proceeds received from liquidating the collateral do not at least equal the value of the loaned security at the time the collateral is liquidated plus the transaction costs incurred in purchasing replacement securities.

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 Funds and their 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 the circumstances, the Funds may have difficulty achieving their investment objectives 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 Funds' Sponsor and 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 Funds' investments. These factors can cause substantial market volatility, exchange trading suspensions and closures and can impact the ability of the Funds to complete redemptions and otherwise affect Fund performance and Fund trading in the secondary market. A wide spread 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 a Fund's performance, resulting in losses to the Funds.

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (Continued)

4. MANAGEMENT AND OTHER CONTRACTS

ETF Managers Group, LLC (the “Advisor”), 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 Advisor, the Advisor 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 Advisory Agreement, the Advisor is also responsible for arranging transfer agency, custody, fund administration and accounting, and other non-distribution related services necessary for the Fund to operate.

Under the Investment Advisory Agreement with the Fund, the Advisor 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 Advisor bears the costs of all advisory and non-advisory services required to operate the Fund, in exchange for a single management fee. For services provided the Fund pays the Advisor at an annual rate of 0.75% of the Fund’s average daily net assets. Under the Investment Advisory Agreement, the Advisor has agreed to pay all expenses of the Fund, except for: the fee paid to the Advisor 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 Advisor has entered into an Agreement with its affiliate, ETFMG Financial, LLC (the “Distributor”). The Distributor provides marketing support for the Fund, including distributing marketing materials related to the Fund. Level ETF Ventures, LLC (“Level”) serves as the index provider for the Fund. Level is not affiliated with the Fund or the Advisor.

Ultimus Fund Solutions, LLC (“Ultimus”) acts as sub-administrative and sub-accounting agent of the Fund. For its services in this capacity, Ultimus is entitled to a fee based on the average daily net assets of the Fund and subject to a minimum annual fee. In addition to the asset-based fee, Ultimus is entitled to certain non-material fees, as well as out of pocket expenses. The fee paid to Ultimus is paid out of the investment advisory fee paid to the Adviser by the Fund.

Wedbush Securities Inc. (“Wedbush”), a broker-dealer that is a member of a national securities exchange, as defined in the Exchange Act, serves as the custodian of the Fund. Wedbush holds cash, securities and other assets of the Fund as required by the 1940 Act. In May, 2020, Wedbush acquired a minority, non-voting, equity interest in the parent company of the Advisor, Exchange Traded Managers Group, LLC.

The Advisor pays each independent Trustee a quarterly fee for service to the Fund. Each Trustee is also reimbursed by the Advisor 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.

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 year ended September 30, 2020, the Fund did not incur any 12b-1 expenses.

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (Continued)

6. PURCHASES AND SALES OF SECURITIES

The costs of purchases and sales of securities, excluding short-term securities and in-kind transactions, for the year ended September 30, 2020:

The costs of purchases and sales of in-kind transactions associated with creations and redemptions for the year ended September 30, 2020:

<u>Purchases</u>	<u>Sales</u>
\$ 298,003,220	\$ 278,013,154

Purchases in-kind are the aggregate of all in-kind purchases and sales in-kind are 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.

<u>Purchases In-Kind</u>	<u>Sales In-Kind</u>
\$ 193,839,582	\$ 53,338,167

There were no purchases or sales of U.S. Government obligations for the year ended September 30, 2020.

7. SECURITIES LENDING

The Fund may lend up to 33 1/3% of the value of the Fund's total assets to brokers, dealers and financial institutions (but not individuals) under terms of participation in a securities lending program administered by Wedbush Securities Inc ("the Custodian"). The securities lending agreement requires that loans are collateralized at all times in an amount equal to at least 100% of the value of any loaned securities at the time of the loan. The Fund and the Custodian receive compensation in the form of loan fees. The amount of loan fees depends on a number of factors including the type of security, demand to borrow such security and the 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 held by the Custodian in accordance with the custody agreement. The Custodian and its associated persons will receive compensation in connection with the use of the loaned securities of the Fund. The Fund could 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 Custodian.

As of September 30, 2020, 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>Values of Securities on Loan</u>	<u>Fund Collateral Received*</u>
\$ 126,295,063	\$ 126,295,063

* The securities on loan were collateralized in full with cash, as shown on the Schedule of Investments.

ETFMG Alternative Harvest ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (Continued)

8. TAX COMPONENTS OF CAPITAL

As of September 30, 2020, the components of accumulated earnings/(deficit) on a tax basis were as follows:

<u>Undistributed Ordinary Income</u>	<u>Undistributed Long-Term Gains</u>	<u>Post October Loss and Late Year Loss</u>	<u>Capital Loss Carry Forwards</u>	<u>Other Book/Tax Differences</u>	<u>Unrealized Appreciation/(Depreciation)</u>	<u>Total Accumulated Earnings/(Deficits)</u>
\$ 932,023	\$ -	\$ (317,435,569)	\$ (161,494,108)	\$ -	\$ (604,107,611)	\$ (1,082,105,265)

The difference between book basis and tax basis undistributed net investment income, unrealized depreciation and accumulated net realized losses from investments is attributable to the tax deferral of losses on wash sales and mark-to-market on passive foreign investment companies. The unrealized depreciation in the table above includes unrealized foreign currency gains of \$5,234.

Capital losses incurred after October 31 within the fiscal year are deemed to arise on the first business day of the following fiscal year for tax purposes. The Fund incurred and elected to defer such capital losses of \$317,435,569.

At September 30, 2020, the Fund had capital loss carry forwards for federal income tax purposes available to offset future capital gains as follows:

<u>Non-Expiring Short-Term</u>	<u>Non-Expiring Long-Term</u>	<u>Total</u>	<u>CLCF Utilized</u>
\$ 128,346,757	\$ 33,147,351	\$ 161,494,108	\$ -

Permanent book and tax differences, primarily attributable to tax adjustments for realized gains (losses) on in-kind redemptions and tax return updates related to fiscal year ended September 30, 2019, resulted in reclassifications for the year ended September 30, 2020 as follows:

<u>Paid In Capital</u>	<u>Accumulated Earnings (Losses)</u>
\$ (14,942,397)	\$ 14,942,397

9. DISTRIBUTIONS TO SHAREHOLDERS

The tax character of distributions paid during the following years was as follows:

<u>Year Ended September 30, 2020</u>		<u>Year Ended September 30, 2019</u>	
<u>From Ordinary Income</u>	<u>From Capital Gains</u>	<u>From Ordinary Income</u>	<u>From Capital Gains</u>
\$ 38,259,296	\$ -	\$ 30,165,500	\$ -

The difference between ordinary distributions paid from book and ordinary distributions paid from tax relates to allowable foreign tax credits of \$301,296 for year ended September 30, 2020 for the Fund which have been passed through to the Fund's underlying shareholders and are deemed dividends for tax purposes.

ETFMG Alternative Harvest ETF

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 (Continued)

10. AGGREGATE UNREALIZED APPRECIATION AND DEPRECIATION – TAX BASIS

<u>Tax Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Depreciation</u>
\$ 1,222,660,732	\$ 25,287,078	\$ (629,399,923)	\$ (604,112,845)

11. LEGAL MATTERS

The Trust, a former and current trustee of the Trust, the Adviser and certain officers of the Adviser were defendants in an action filed May 2, 2017 in the Superior Court of New Jersey captioned PureShares, LLC d/b/a PureFunds et al. v. ETF Managers Group, LLC et al., Docket No. C-63-17. The PureShares action alleged claims based on disputes arising out of contractual relationships with the Adviser relating to certain series of the Trust. The action sought damages in unspecified amounts and injunctive relief based on breach of contract, wrongful termination, and several other claims.

The Adviser and its parent, ETFMG, were defendants in a case filed on October 26, 2017 in the United States District Court for the Southern District of New York by NASDAQ, Inc. ("Nasdaq") captioned Nasdaq, Inc. v. Exchange Traded Managers Group, LLC et al., Case 1:17-cv-08252. This action arose out of the same facts and circumstances, and relates to the same series of the Trust, as the New Jersey litigation and asserted claims for breach of contract, conversion and certain other claims. The matter was the subject of a bench trial in May 2019, and on December 20, 2019, the Court issued an Opinion and Order awarding compensatory damages to Plaintiff in the amount of \$78,403,172.36, plus prejudgment interest. The Court also denied Plaintiffs requests for punitive damages and equitable relief.

On May 1, 2020, Nasdaq, PureShares LLC ("PureShares"), and ETFMG announced a global settlement that resolves all claims in both the PureShares action and the Nasdaq action. The settlement is subject to future negotiations and approvals among independent third parties. As part of the settlement, Nasdaq and ETFMG have agreed to certain cash payments from ETFMG to Nasdaq and PureShares, and have executed an asset purchase agreement to transfer certain ETFMG intellectual property and related assets, to a Nasdaq affiliate. The Adviser does not believe that the resolution of these matters will have a material adverse effect on the Fund's financial statements. If the events set forth in the settlement agreement do not occur, and a subsequent settlement is not reached, the resulting conditions may adversely affect the Adviser's future operations.

12. SUBSEQUENT EVENTS

Subsequent events after the date of the Statement of Assets and Liabilities have been evaluated through the date the financial statements were issued.

Management has determined that no events or transactions occurred requiring adjustment or disclosure in the financial statements other than as disclosed in Note 11 above.

ETFMG Alternative Harvest ETF

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of ETF Managers Trust
and the Shareholders of ETFMG Alternative Harvest ETF:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of ETFMG Alternative Harvest ETF (the “Fund”) (a series of ETF Managers Trust), as of September 30, 2020, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of September 30, 2020, and the results of its operations for the year then ended, the changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of September 30, 2020 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

/s/WithumSmith+Brown, PC

We have served as the auditor for one or more series of the Trust since 2013.

New York, New York
November 30, 2020

ETFMG Alternative Harvest ETF

EXPENSE EXAMPLE

September 30, 2020 (Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; (2) ongoing costs, including management fees and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from April 1, 2020 through September 30, 2020.

Actual Expenses

The "Actual" line in the table below provides information about actual account values and actual expenses. You may use the information below, 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 table 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 "Hypothetical" line in the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balances or expenses you paid for the period. You may use this information to compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of 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 table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value <u>4/1/2020</u>	Ending Account Value <u>9/30/2020</u>	Expenses Paid During Period* <u>4/1/20- 9/30/20</u>	Expense Paid During Period** <u>4/1/20- 9/30/20</u>
Actual	\$1,000.00	\$955.80	\$3.67	0.75%
Hypothetical (5% return before expenses)	\$1,000.00	\$1,021.25	\$3.79	0.75%

**"Actual" expense information for the Fund is for the period from April 1, 2020 to September 30, 2020. Actual expenses are equal to the Fund's annualized net expense ratio multiplied by 183/366 (to reflect the period from April 1, 2020 to September 30, 2020). "Hypothetical" expense information for the Fund is presented on the basis of the full one-half year period to enable comparison to other funds. It is based on assuming the same net expense ratio and average account value over the period, but it is multiplied by 183/366 (to reflect the full half-year period).*

*** Annualized.*

SUPPLEMENTARY INFORMATION

September 30, 2020 (Unaudited)

INFORMATION ABOUT PORTFOLIO HOLDINGS

Funds file a complete schedule of portfolio holdings with the Securities and Exchange Commission (the “SEC”) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT, within sixty days after the end of the period. Form N-PORT reports are available at the SEC’s website at www.sec.gov.

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.etfmj.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.etfmj.com. *Read the prospectus carefully before investing.*

ETFMG Alternative Harvest 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 of Exchange Traded Managers Group LLC (since 2013); ETF Managers Group LLC (since 2016); ETFMG Financial LLC (since 2017); ETF Managers Capital LLC (commodity pool operator) (since 2014); and Chief Executive Officer (2012-2016) and Chief Compliance Officer (2012-2014), Factor Advisors, LLC (investment adviser); President and Chief Executive Officer, Factor Capital Management LLC (2012-2014) (commodity pool operator);	11	None
John A. Flanagan (1946)	Treasurer (since 2015)	President, John A. Flanagan CPA, LLC (accounting services) (since 2010); Chief Financial Officer and Treasurer of Exchange Traded Managers Group LLC (since 2015); ETF Managers Group LLC (since 2016); and ETF Managers Capital LLC (commodity pool operator) (since 2015)	N/A	N/A
Reshma A. Tanczos (1978)	Chief Compliance Officer (since 2016)	Chief Compliance Officer of ETFMG Financial LLC (since 2017); ETF Managers Group LLC (since 2016); ETF Managers Capital LLC (since 2016); and Partner, Crow & Cushing (law firm) (2007-2016).	N/A	N/A

ETFMG Alternative Harvest ETF

Board of Trustees (Continued)

Reshma A. Tanczos (1978)	Chief Compliance Officer (since 2016)	Chief Compliance Officer of ETFMG Financial LLC (since 2017); ETF Managers Group LLC (since 2016); ETF Managers Capital LLC (since 2016); and Partner, Crow & Cushing (law firm) (2007-2016).	N/A	N/A
Matthew J. Bromberg (1973)	Assistant Secretary (since 2020)	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); and Partner of Reed Smith (law firm) (2015-2016)	N/A	N/A

* Mr. Masucci is an interested Trustee by virtue of his role as the Chief Executive Officer of the Adviser.

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
Terry Loebs (1963)	Trustee (since 2014)	Founder and Managing Member, Pulsenomics LLC (index product development and consulting firm) (since 2011); Managing Director, MacroMarkets, LLC (exchange-traded products firm) (2006-2011).	11	None
Eric Weigel (1960)	Trustee (since 2020)	Senior Portfolio Manager, Little House Capital (2019-present); Managing Partner, Global Focus Capital LLC (2013-present); Chief Investment Officer, Insight Financial Strategist LLC (2017-2018)	11	None

ETFMG Alternative Harvest ETF

ETF MANAGERS TRUST

Privacy Policy and Procedures

ETF Managers Trust, (the “Trust”) has adopted the following privacy policies in order to safeguard the personal information of the Trust’s customers and consumers in accordance with Regulation S-P as promulgated by the U.S. Securities and Exchange Commission.

Trust officers are responsible for ensuring that the following policies and procedures are implemented:

- 1) The Trust is committed to protecting the confidentiality and security of the information they collect and will handle personal customer and consumer information only in accordance with Regulation S-P and any other applicable laws, rules and regulations¹. The Trust will ensure: (a) the security and confidentiality of customer records and information; (b) that customer records and information are protected from any anticipated threats and hazards; and (c) that customer records and information are protected from unauthorized access or use.
- 2) The Trust conducts its business affairs through its trustees, officers and third parties that provide services pursuant to agreements with the Trust. The Trust has no employees. It is anticipated that the trustees and officers of the Trust who are not employees of service providers of the Trust will not have access to customer records and information in the performance of their normal responsibilities for the Trust.
- 3) The Trust may share customer information with its affiliates, subject to the customers’ right to prohibit such sharing.
- 4) The Trust may share customer information with unaffiliated third parties only in accordance with the requirements of Regulation S-P. Pursuant to this policy, the Trust will not share customer information with unaffiliated third parties other than as permitted by law, unless authorized to do so by the customer.

Consistent with these policies, the Trust has adopted the following procedures:

- 1) The Trust will determine that the policies and procedures of its affiliates and Service Providers are reasonably designed to safeguard customer information and only permit appropriate and authorized access to and use of customer information through the application of appropriate administrative, technical and physical protections.
- 2) The Trust will direct each of its Service Providers to adhere to the privacy policy of the Trust and to its privacy policies with respect to all customer information of the Trust and to take all actions reasonably necessary so that the Trust is in compliance with the provisions of Regulation S-P, including, as applicable, the development and delivery of privacy notices and the maintenance of appropriate and adequate records.

The Trust requires its Service Providers to provide periodic reports to the Trust’s Board of Trustees outlining their privacy policies and the implementation of such policies. Each Service Provider is required to promptly report to the Trust’s Board any material changes to its privacy policy before, or promptly after, the adoption of such changes.

⁽¹⁾ Generally, the Funds have institutional clients which are not considered “customers” for purposes of regulation S-P.

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

Wedbush Securities Inc.
1000 Wilshire Boulevard, Los Angeles, California 90017

Transfer Agent

Computershare Investor Services
480 Washington Boulevard, Jersey City, New Jersey 07310

Securities Lending Agent

Wedbush Securities Inc.
1000 Wilshire Boulevard, Los Angeles, California 90017

Independent Registered Public Accounting Firm

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Legal Counsel

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