



Core Financial Statements

August 31, 2024

Tidal Trust II

Clockwise Core Equity & Innovation ETF | TIME | NYSE Arca, Inc.

Clockwise Core Equity & Innovation ETF

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Schedule of Investments

Clockwise Core Equity & Innovation ETF

August 31, 2024

COMMON STOCKS - 85.2%	Shares	Value
Aerospace & Defense - 1.0%		
General Electric Co.	1,200	\$ 209,544
Auto Manufacturers - 1.8%		
Tesla, Inc. ^(a)	1,905	407,879
Banks - 3.1%		
NU Holdings Ltd. - Class A ^(a)	30,130	451,046
Wells Fargo & Co.	4,000	233,880
		684,926
Building Materials - 0.5%		
Johnson Controls International PLC	1,500	109,275
Commercial Services - 2.1%		
Affirm Holdings, Inc. - Class A ^(a)	10,680	470,027
Computers - 7.4%		
Apple, Inc.	3,866	885,314
Crowdstrike Holdings, Inc. - Class A ^(a)	1,575	436,716
Zscaler, Inc. ^(a)	1,568	313,569
		1,635,599
Cosmetics & Personal Care - 4.0%		
The Procter & Gamble Co.	5,149	883,259
Distribution & Wholesale - 1.3%		
Core & Main, Inc. - Class A ^(a)	6,071	291,590
Diversified Financial Services - 1.1%		
Upstart Holdings, Inc. ^(a)	5,824	247,520
Electric - 8.6%		
Constellation Energy Corp.	3,268	642,816
Duke Energy Corp.	2,798	318,832
NextEra Energy, Inc.	9,146	736,344
The Southern Co.	2,461	212,630
		1,910,622
Engineering & Construction - 3.7%		
Comfort Systems USA, Inc.	2,340	827,237
Home Builders - 2.0%		
PulteGroup, Inc.	3,348	440,764
Internet - 18.3%		
Amazon.com, Inc. ^(a)	5,028	897,498
Meta Platforms, Inc. - Class A	1,256	654,765
Netflix, Inc. ^(a)	699	490,244
Robinhood Markets, Inc. - Class A ^(a)	55,120	1,109,015
Spotify Technology SA ^(a)	2,640	905,203
		4,056,725

Schedule of Investments

Clockwise Core Equity & Innovation ETF

August 31, 2024

Machinery - Construction & Mining - 3.6%

Caterpillar, Inc.	900	320,490
GE Vernova, Inc. ^(a)	2,358	473,958
		<u>794,448</u>

Metal Fabricate & Hardware - 2.0%

Advanced Drainage Systems, Inc.	2,759	<u>432,501</u>
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Oil & Gas - 1.0%

Exxon Mobil Corp.	1,800	<u>212,292</u>
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Private Equity - 2.6%

KKR & Co., Inc.	4,554	<u>563,649</u>
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Retail - 2.5%

Costco Wholesale Corp.	624	<u>556,845</u>
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Semiconductors - 7.1%

Broadcom, Inc.	1,400	227,948
Intel Corp.	5,000	110,200
NVIDIA Corp.	8,361	998,053
Texas Instruments, Inc.	1,100	235,774
		<u>1,571,975</u>

Software - 6.4%

AppLovin Corp. - Class A ^(a)	3,609	335,168
Microsoft Corp.	1,507	628,630
Palantir Technologies, Inc. - Class A ^(a)	14,105	444,025
		<u>1,407,823</u>

Telecommunications - 5.1%

Verizon Communications, Inc.	26,923	1,124,843
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TOTAL COMMON STOCKS (Cost \$16,246,129)		<u>18,839,343</u>
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EXCHANGE TRADED FUNDS - 4.2%

ProShares UltraShort QQQ	8,300	320,297
SPDR Bloomberg Barclays 1-3 Month T-Bill ETF - Class B	6,600	606,012
TOTAL EXCHANGE TRADED FUNDS (Cost \$926,104)		<u>926,309</u>

REAL ESTATE INVESTMENT TRUSTS - 3.4%

Equinix, Inc.	378	315,388
Prologis, Inc.	3,490	446,092
TOTAL REAL ESTATE INVESTMENT TRUSTS (Cost \$740,619)		<u>761,480</u>

SHORT-TERM INVESTMENTS - 7.7%

Money Market Funds - 7.7%		
First American Government Obligations Fund - Class X, 5.22% ^(b)	1,705,945	1,705,945
TOTAL SHORT-TERM INVESTMENTS (Cost \$1,705,945)		<u>1,705,945</u>

TOTAL INVESTMENTS - 100.5% (Cost \$19,618,797)

Liabilities in Excess of Other Assets - (0.5)%		(119,665)
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TOTAL NET ASSETS - 100.0%		<u>\$ 22,113,412</u>
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Percentages are stated as a percent of net assets.

August 31, 2024

PLC - Public Limited Company

SA - Sociedad Anónima

(a) Non-income producing security.

(b) The rate shown represents the 7-day annualized effective yield as of August 31, 2024.

Statement of Assets and Liabilities

Clockwise Core Equity & Innovation ETF

August 31, 2024

ASSETS:

Investments, at value (Note 2)	\$	22,233,077
Receivable for investments sold		117,514
Dividends receivable		14,963
Interest receivable		2,700
Total assets		<u>22,368,254</u>

LIABILITIES:

Payable for investments purchased		235,780
Payable to adviser (Note 5)		19,062
Total liabilities		<u>254,842</u>

NET ASSETS

\$	<u>22,113,412</u>
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NET ASSETS CONSISTS OF:

Paid-in capital	\$	15,408,550
Total distributable earnings		6,704,862
Total net assets	\$	<u>22,113,412</u>

Net assets	\$	22,113,412
Shares issued and outstanding ^(a)		825,000
Net asset value per share	\$	26.80

COST:

Investments, at cost	\$	19,618,797
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(a) Unlimited shares authorized without par value.

Statement of Operations

Clockwise Core Equity & Innovation ETF

For the Year Ended August 31, 2024

INVESTMENT INCOME:

Dividend income	\$ 264,223
Less: Dividend withholding taxes	(505)
Interest income	3,863
Total investment income	<u>267,581</u>

EXPENSES:

Investment advisory fee (Note 5)	188,604
Total expenses	<u>188,604</u>

NET INVESTMENT INCOME

78,977

REALIZED AND UNREALIZED GAIN

Net realized gain from:	
Investments	4,835,300
Net realized gain	<u>4,835,300</u>
Net change in unrealized appreciation on:	
Investments	1,540,940
Net change in unrealized appreciation	<u>1,540,940</u>
Net realized and unrealized gain	<u>6,376,240</u>

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS

\$ 6,455,217

Statement of Changes in Net Assets

Clockwise Core Equity & Innovation ETF

	Year ended August 31, 2024	Year ended August 31, 2023
OPERATIONS:		
Net investment income/(loss)	\$ 78,977	\$ (18,216)
Net realized gain	4,835,300	13,853,201
Net change in unrealized appreciation	1,540,940	1,726,993
Net increase in net assets from operations	6,455,217	15,561,978
DISTRIBUTIONS TO SHAREHOLDERS:		
Distributions to shareholders	(3,313,500)	—
Total distributions to shareholders	(3,313,500)	—
CAPITAL TRANSACTIONS:		
Subscriptions	6,284,233	51,113,510
Redemptions	(4,565,881)	(54,204,283)
Net increase (decrease) in net assets from capital transactions	1,718,352	(3,090,773)
NET INCREASE IN NET ASSETS	4,860,069	12,471,205
NET ASSETS:		
Beginning of the year	17,253,343	4,782,138
End of the year	\$ 22,113,412	\$ 17,253,343
SHARES TRANSACTIONS		
Subscriptions	250,000	2,975,000
Redemptions	(175,000)	(2,475,000)
Total increase in shares outstanding	75,000	500,000

Financial Highlights

Clockwise Core Equity & Innovation ETF

For a share outstanding throughout the periods presented

	Year ended August 31, 2024	2023	Period ended August 31, 2022 ^(a)
PER SHARE DATA:			
Net asset value, beginning of period	\$23.00	\$19.13	\$25.00
INVESTMENT OPERATIONS:			
Net investment income (loss) ^{(b)(c)}	0.10	(0.02)	(0.05)
Net realized and unrealized gain (loss) on investments ^(d)	8.12	3.89	(5.82)
Total from investment operations	8.22	3.87	(5.87)
LESS DISTRIBUTIONS FROM:			
Net investment income	(4.40)	—	—
Net realized gains	(0.02)	—	—
Total distributions	(4.42)	—	—
Net asset value, end of period	\$26.80	\$23.00	\$19.13
TOTAL RETURN^(e)	40.79%	20.23%	-23.48%
SUPPLEMENTAL DATA AND RATIOS:			
Net assets, end of period (in thousands)	\$22,113	\$17,253	\$4,782
Ratio of expenses to average net assets ^{(f)(g)}	0.95%	0.95%	0.95%
Ratio of net investment income (loss) to average net assets ^{(f)(g)}	0.40%	(0.05)%	(0.51)%
Portfolio turnover rate ^{(e)(h)}	648%	283%	54%

(a) Inception date of the Fund was January 27, 2022.

(b) Net investment income per share has been calculated based on average shares outstanding during the year.

(c) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying exchange traded funds in which the Fund invests. The ratio does not include net investment income of the exchange traded funds in which the Fund invests.

(d) Realized and unrealized gains and losses per share in the caption are balancing amounts necessary to reconcile the change in net asset value per share for the years, and may not reconcile with the aggregate gains and losses in the Statement of Operations due to share transactions for the year.

(e) Not annualized for periods less than one year.

(f) Annualized for periods less than one year.

(g) These ratios exclude the impact of expenses of the underlying exchange traded funds as represented in the Schedule of Investments. Recognition of net investment income by the Fund is affected by the timing of the underlying exchange traded funds in which the Fund invests.

(h) Portfolio turnover rate excludes in-kind transactions.

August 31, 2024

NOTE 1 – ORGANIZATION

The Clockwise Core Equity & Innovation ETF (the “Fund”) is a non-diversified series of Tidal Trust II (the “Trust”). The Trust was organized as a Delaware statutory trust on January 13, 2022. The Trust is registered with the Securities and Exchange Commission (“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 Trust is governed by the Board of Trustees (the “Board”). Tidal Investments LLC (f/k/a Toroso Investments, LLC) (“Tidal Investments” or the “Adviser”), a Tidal Financial Group company, serves as investment adviser to the Fund and Clockwise Capital LLC (“Clockwise” or the “Sub-Adviser”), serves as sub-adviser to the Fund. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946 “Financial Services – Investment Companies”. The Fund reorganized into the Trust as of end of business day June 21, 2024. The Predecessor Fund commenced operations on January 27, 2022.

The investment objective of the Fund is to seek long-term growth of capital.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

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

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

Under Rule 2a-5 of the 1940 Act, a fair value will be determined for securities for which quotations are not readily available by the Valuation Designee (as defined in Rule 2a-5) in accordance with the Pricing and Valuation Policy and Fair Value Procedures, as applicable, of the Adviser, subject to oversight by the Board. When a security is “fair valued,” consideration is given to the facts and circumstances relevant to the particular situation, including a review of various factors set forth in the Adviser’s Pricing and Valuation Policy and Fair Value Procedures, as applicable. Fair value pricing is an inherently subjective process, and no single standard exists for determining fair value. Different funds could reasonably arrive at different values for the same security. The use of fair value pricing by a fund may cause the net asset value (“NAV”) of its shares to differ significantly from the NAV that would be calculated without regard to such considerations.

As described above, the Fund utilizes various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
- Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree

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of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The following is a summary of the inputs used to value the Fund's investments as of August 31, 2024:

	Level 1	Level 2	Level 3	Total
Assets:				
Common Stocks	\$ 18,839,343	\$ —	\$ —	\$ 18,839,343
Exchange Traded Funds	926,309	—	—	926,309
Real Estate Investment Trusts	761,480	—	—	761,480
Money Market Funds	1,705,945	—	—	1,705,945
Total Assets	\$ 22,233,077	\$ —	\$ —	\$ 22,233,077

Refer to the Schedule of Investments for further disaggregation of investment categories.

- 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 provision for federal income taxes or excise taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, the Fund intends to declare as dividends in each calendar year at least 98.0% of its net investment income (earned during the calendar year) and at least 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts, if any, from prior years. As a registered investment company, the Fund is subject to a 4% excise tax that is imposed if the Fund does not distribute by the end of any calendar year at least the sum of (i) 98% of its ordinary income (not taking into account any capital gain or loss) for the calendar year and (ii) 98.2% of its capital gain in excess of its capital loss (adjusted for certain ordinary losses) for a one year period generally ending on October 31 of the calendar year (unless an election is made to use the fund's fiscal year). The Fund generally intends to distribute income and capital gains in the manner necessary to minimize (but not necessarily eliminate) the imposition of such excise tax. The Fund may retain income or capital gains and pay excise tax when it is determined that doing so is in the best interest of shareholders. Management, in consultation with the Board of Trustees, evaluates the costs of the excise tax relative to the benefits of retaining income and capital gains, including that such undistributed amounts (net of the excise tax paid) remain available for investment by the Fund and are available to supplement future distributions. Tax expense is disclosed in the Statement of Operations, if applicable.

As of August 31, 2024, the Fund did not have any tax positions that did not meet the threshold of being sustained by the applicable tax authority. Generally, tax authorities can examine all the tax returns filed for the last three years. The Fund identifies its major tax jurisdiction as U.S. Federal and the Commonwealth of Delaware; however, the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits on uncertain tax positions as income tax expense in the Statement of Operations.

- C. *Securities Transactions and Investment Income.* Investment securities transactions are accounted for on the trade date. Gains and losses realized on sales of securities are determined on a specific identification basis. Discounts/premiums on debt securities purchased are accreted/amortized over the life of the respective securities using the effective interest method. Dividend income is recorded on the ex-dividend date. Dividends received from REITs generally are comprised of ordinary income, capital gains, and may include return of capital. Debt income is recorded on an accrual basis. Other non-cash dividends are recognized as investment income at the fair value of the property received. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.
- D. *Distributions to Shareholders.* The Fund intends to pay out dividends and interest income, if any, annually. Distributions to shareholders from net realized gains on securities, if any, for the Fund normally are declared and paid on an annual basis. Distributions are recorded on the ex-dividend date.
- E. *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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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- F. *Share Valuation.* The NAV per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash or other assets, minus all liabilities by the total number of shares outstanding for the Fund, rounded to the nearest cent. The Fund's shares will not be priced on the days on which the New York Stock Exchange ("NYSE") is closed for trading.
- G. *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.
- H. *Illiquid Securities.* Pursuant to Rule 22e-4 under the 1940 Act, the Fund has adopted a Board-approved Liquidity Risk Management Program ("the Program") that requires, among other things, that the Fund limit its illiquid investments that are assets to no more than 15% of the value of the Fund's net assets. An illiquid investment is any investment that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. If the Fund should be in a position where the value of illiquid investments held by the Fund exceeds 15% of the Fund's net assets, the Fund will take such steps as set forth in the Program.
- I. *Recently Issued Accounting Pronouncements.* In June 2022, FASB issued Accounting Standards Update 2022-03, which amends Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions ("ASU 2022-03"). ASU 2022-03 clarifies guidance for fair value measurement of an equity security subject to a contractual sale restriction and establishes new disclosure requirements for such equity securities. ASU 2022-03 is effective for fiscal years beginning after December 15, 2023 and for interim periods within those fiscal years, with early adoption permitted. The Fund is currently evaluating the impact, if any, of these amendments on the financial statements.
- J. *Reclassification of Capital Accounts.* U.S. GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. These differences are primarily due to adjustments for redemptions in-kind. For the year ended August 31, 2024, the following adjustments were made:

Paid-In Capital	Total Distributable Earnings
\$741,720	\$(741,720)

During the year ended August, 31, 2024, the Fund realized \$741,720 in net capital gains resulting from in-kind redemptions, in which Authorized Participants exchanged Fund shares for securities held by the Fund rather than for cash. Because such gains are not taxable to the Fund, and are not distributed to shareholders, they have been reclassified from distributable (accumulated) earnings (losses) to paid-in capital.

NOTE 3 – REORGANIZATION APPROVAL

At a meeting held on March 12 and 13, 2024, the Board of the Predecessor Fund approved an Agreement and Plan of Reorganization (the "Reorganization") between the Trust, on behalf of the Fund, and the Capitol Series Trust, on behalf of the Predecessor Fund. The Reorganization provided for the transfer of all of the assets of the Predecessor Fund to the Fund and the assumption of the liabilities (other than any excluded liabilities) of the Predecessor Fund by the Fund. For financial reporting purposes, assets received and shares issued by the Fund were recorded at fair value; however, the cost basis of the investments received from the Predecessor Fund was carried forward to align ongoing reporting of the Fund's realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes. The Fund was created to carry out the reorganization and has substantially similar investment objectives and substantially similar principal investment strategies as the Predecessor Fund. Costs incurred by the Fund in connection with the reorganization were paid by the Sub-Adviser and Adviser. The reorganization was effective after the close of business on June 21, 2024.

The following table illustrates the specifics of the reorganization of the Predecessor Fund into the Fund:

August 31, 2024

Predecessor Fund	Shares Issued to Shareholders of Predecessor Fund	Fund Net Assets	Combined Net Assets ^(a)	Tax Status of Transfer
Net Assets				
\$22,971,707	850,000	\$22,971,707	\$22,971,707	Non-taxable

^(a) Includes accumulated net investment income, accumulated realized losses and unrealized appreciation in the amounts of \$(30,907), \$13,219,466, and \$3,153,004, respectively. Includes cost and market value of securities in the amounts of \$19,770,982 and \$22,923,987, respectively.

NOTE 4 – PRINCIPAL INVESTMENT RISKS

Sector Risk. The Sub-Adviser may allocate more of the Fund's investments to a particular sector or sectors in the market, including the following sectors: Industrials, Consumer Discretionary, Consumer Staples, Health Care, Financials, Information Technology, Communications, Utilities and Real Estate. If the Fund invests a significant portion of its total assets in a certain sector or certain sectors, its investment portfolio will be more susceptible to the financial, economic, business, and political developments that affect those sectors than a fund that is more diversified.

- **Communications Sector Risk.** The Fund may be more affected by the performance of the communications sector than a fund with less exposure to such sector. Communication companies are particularly vulnerable to the potential obsolescence of products and services due to technological advancement and the innovation of competitors. Companies in the communications sector may also be affected by other competitive pressures, such as pricing competition, as well as research and development costs, substantial capital requirements and government regulation. Additionally, fluctuating domestic and international demand, shifting demographics and often unpredictable changes in consumer tastes can drastically affect a communication company's profitability.
- **Consumer Discretionary Sector Risk.** The success of consumer product manufacturers and retailers is tied closely to the performance of the overall domestic and global economy, interest rates, competition and consumer confidence. Success depends heavily on disposable household income and consumer spending. Also, companies in the consumer discretionary sector may be subject to severe competition, which may have an adverse impact on their profitability relative to other sectors. Changes in demographics and consumer tastes can also affect the demand for, and success of, consumer products and services in the marketplace.
- **Consumer Staples Sector Risk.** Consumer staples companies are subject to government regulation affecting their products which may negatively impact such companies performance. For instance, government regulations may affect the permissibility of using various food additives and production methods of companies that make food products, which could affect company profitability. Also, the success of food, beverage, household and personal product companies may be strongly affected by consumer interest, marketing campaigns and other factors affecting supply and demand, including performance of the overall domestic and global economy, interest rates, competition and consumer confidence and spending.
- **Financial Sector Risk.** Financial services companies are subject to extensive governmental regulation which may limit both the amounts and types of loans and other financial commitments they can make, the interest rates and fees they can charge, the scope of their activities, the prices they can charge and the amount of capital they must maintain. Profitability is largely dependent on the availability and cost of capital funds and can fluctuate significantly when interest rates change or due to increased competition. In addition, deterioration of the credit markets generally may cause an adverse impact in a broad range of markets, including U.S. and international credit and interbank money markets generally, thereby affecting a wide range of financial institutions and markets.
- **Health Care Sector Risk.** The health care sector may be affected by government regulations and government health care programs, restrictions on government reimbursement for medical expenses, increases or decreases in the cost of medical products and services and product liability claims, among other factors. Many health care companies are: (i) heavily dependent on patent protection and intellectual property rights and the expiration of a patent may adversely affect their profitability; (ii) subject to extensive litigation based on product liability and similar claims; and (iii) subject to competitive forces that may make it difficult to raise prices and, in fact, may result in price discounting. Many health care products and services may be subject to regulatory approvals. The process of obtaining such approvals may be long and costly, and delays or failure to receive such approvals may negatively impact the business of such companies.
- **Industrial Sector Risk.** Industrial companies are affected by supply and demand both for their specific product or service and for industrial sector products in general. Government regulation, world events, exchange rates and economic conditions, technological developments and liabilities for environmental damage and general civil liabilities will likewise affect the

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performance of these companies. Transportation securities, a component of the industrial sector, are cyclical and have occasional sharp price movements which may result from changes in the economy, fuel prices, labor agreements and insurance costs. Aerospace and defense companies, another component of the industrial sector, can be significantly affected by government spending policies because companies involved in this industry rely, to a significant extent, on U.S. and foreign government demand for their products and services. Thus, the financial condition of, and investor interest in, such companies are heavily influenced by governmental spending policies which are typically under pressure from efforts to control the U.S. (and other) government budgets.

- **Information Technology Sector Risk.** The information technology sector includes companies engaged in internet software and services, technology hardware and storage peripherals, electronic equipment instruments and components, and semiconductors and semiconductor equipment, among other things. Information technology companies face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Information technology companies may have limited product lines, markets, financial resources or personnel. The products of information technology companies may face rapid product obsolescence due to technological developments and frequent new product introduction, unpredictable changes in growth rates and competition for the services of qualified personnel. Failure to introduce new products, develop and maintain a loyal customer base, or achieve general market acceptance for their products could have a material adverse effect on a company's business. Companies in the information technology sector are heavily dependent on intellectual property and the loss of patent, copyright and trademark protections may adversely affect the profitability of these companies.
- **Real Estate Sector Risk.** The Fund's assets may be concentrated in the real estate sector, which means the Fund will be more affected by the performance of the real estate sector than a fund that is more diversified. An investment in a real estate company may be subject to risks similar to those associated with direct ownership of real estate, including, by way of example, the possibility of declines in the value of real estate, losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, environmental liability, zoning laws, regulatory limitations on rents, property taxes, and operating expenses. Some real property companies have limited diversification because they invest in a limited number of properties, a narrow geographic area, or a single type of property.
- **Utilities Sector Risk.** Investments in the utilities sector at times may be limited to a relatively small number of issuers. Such investments may therefore be subject to greater risks and market fluctuations than a portfolio representing a broader range of industries. As an example of these risks, companies in the telecommunications and electric utilities industries have experienced substantial changes in the amount and type of regulation at the state and federal levels. While creating opportunities for some companies, it also has increased uncertainty for others with respect to future revenues and earnings. This trend may continue for some time and increased share price volatility may result. In addition, utilities companies may be significantly affected by government regulation, supply and demand of services or fuel, availability of financing, tax laws and regulations and environmental issues.

Derivatives Risk. Derivatives are financial instruments that derive value from the underlying reference asset or assets, such as stocks, bonds, commodities, currencies, funds (including ETFs), interest rates or indexes. The Fund's investments in derivatives may pose risks in addition to, and greater than, those associated with directly investing in securities or other ordinary investments, including risk related to the market, imperfect correlation with underlying investments or the Fund's other portfolio holdings, higher price volatility, lack of availability, counterparty risk, liquidity, valuation and legal restrictions. The use of derivatives is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. The use of derivatives may result in larger losses or smaller gains than directly investing in the underlying reference asset(s). Because derivatives often require only a limited initial investment, the use of derivatives may expose the Fund to losses in excess of those amounts initially invested. In addition, the Fund's investments in derivatives are subject to the following risks:

- **Options.** Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. The Fund may not fully benefit from or may lose money on an option if changes in its value do not correspond as anticipated to changes in the value of the underlying securities. If the Fund is not able to sell an option held in its portfolio, it would have to exercise the option to realize any profit and would incur transaction costs upon the purchase or sale of the underlying securities. Ownership of options involves the payment of premiums, which may adversely affect the Fund's performance.
- **Covered Calls.** The risks of selling covered calls are two-fold. The first is that the Fund may still lose money if the price of the security declines to below the breakeven point (the strike price less the premium paid). The second is the opportunity risk of not participating in a large rise in the price of a security held in the Fund's portfolio.

Equity Market Risk. By virtue of the Fund's investments in equity securities, the Fund is exposed to common stocks which subjects the Fund to equity market risk. Common stocks are generally exposed to greater risk than other types of securities, such as preferred

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stock and debt obligations, because common stockholders generally have inferior rights to receive payment from specific issuers. Equity securities 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.

As with any investment, there is a risk that you could lose all or a portion of your principal investment in the Fund. The Fund is subject to principal risks which may adversely affect the Fund's NAV, trading price, yield, total return and/or ability to meet its objective. For more information about the risks of investing in the Fund, see the section in the Fund's Prospectus titled "Additional Information About the Fund — Principal Risks of Investing in The Fund."

NOTE 5 – COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS

The Adviser serves as investment adviser to the Fund pursuant to an investment advisory agreement between the Adviser and the Trust, on behalf of the Fund (the "Advisory Agreement"), and, pursuant to the Advisory Agreement, 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. The Adviser is also responsible for trading portfolio securities for the Fund, including selecting broker-dealers to execute purchase and sale transactions. The Adviser provides oversight of the Sub-Adviser and review of the Sub-Adviser's performance. Prior to the Reorganization, Clockwise served as investment adviser to the Predecessor Fund.

Pursuant to the Advisory Agreement, the Fund pays the Adviser a unitary management fee (the "Investment Advisory Fee") based on the average daily net assets of the Fund at the annualized rate of 0.95%. Under the Advisory Agreement, in exchange for a single unitary management fee from the Fund, the Adviser has agreed to pay, or require the Sub-Adviser to pay, all expenses incurred by the Fund except for interest charges on any borrowings, dividends and other expenses on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, distribution fees and expenses paid by the Fund under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act (collectively, "Excluded Expenses") and the Investment Advisory Fees payable to the Adviser. The Investment Advisory Fees incurred are paid monthly to the Adviser. Investment Advisory Fees for the year ended August 31, 2024 are disclosed in the Statement of Operations. Out of the Investment Advisory Fees, the Adviser is obligated to pay or arrange for the payment of substantially all expenses of the Fund, including the cost of sub-advisory, transfer agency, custody, fund administration, and all other related services necessary for the Fund to operate. Under the Advisory Agreement, the Adviser has agreed to pay, or require the Sub-Adviser to pay, all expenses incurred by the Fund except for interest charges on any borrowings, dividends and other expenses on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, distribution fees and expenses paid by the Fund under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act (collectively, "Excluded Expenses"). The Investment Advisory Fees incurred are paid monthly to the Adviser. Investment Advisory Fees for the year ended August 31, 2024 are disclosed in the Statement of Operations.

The Sub-Adviser serves as investment sub-adviser to the Fund, pursuant to the sub-advisory agreement between the Adviser and the Sub-Adviser with respect to the Fund (the "Sub-Advisory Agreement"). Pursuant to the Sub-Advisory Agreement, the Sub-Adviser is responsible for the day-to-day management of the Fund's portfolio, including determining the securities purchased and sold by the Fund, subject to the supervision of the Adviser and the Board. For its services, the Sub-Adviser is paid a fee by the Adviser, which fee is calculated daily and paid monthly. The Sub-Adviser has agreed to assume the Adviser's obligation to pay all expenses incurred by the Fund, except for Excluded Expenses. For assuming the payment obligation, the Adviser has agreed to pay to the Sub-Adviser the profits, if any, generated by the Fund's Investment Advisory Fees, less a contractual fee retained by the Adviser. Expenses incurred by the Fund and paid by the Sub-Adviser include fees charged by Tidal (defined below), which is an affiliate of the Adviser.

Tidal ETF Services LLC ("Tidal"), a Tidal Financial Group company, and an affiliate of the Adviser, serves as the Fund's administrator and, in that capacity, performs various administrative and management services for the Fund. Tidal coordinates the payment of Fund-related expenses and manages the Trust's relationships with its various service providers. Prior to the Reorganization, Ultimus Fund Solutions, LLC performed certain administrative and fund accounting services for the Predecessor Fund.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services ("Fund Services"), serves as the Fund's sub-administrator, fund accountant and transfer agent. In those capacities Fund Services performs various administrative and accounting services for the Fund. Fund Services prepares various federal and state regulatory filings, reports and returns for the Fund, including

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regulatory compliance monitoring and financial reporting; prepares reports and materials to be supplied to the Board; and monitors the activities of the Fund's custodian. U.S. Bank N.A. (the "Custodian"), an affiliate of Fund Services, serves as the Fund's custodian.

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

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

The Board has adopted a Distribution (Rule 12b-1) Plan (the "Plan") pursuant to Rule 12b-1 under the 1940 Act. In accordance with the Plan, the Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year to pay distribution fees for the sale and distribution of its Shares. No Rule 12b-1 fees are currently paid by the Fund, and there are no plans to impose these fees. However, in the event Rule 12b-1 fees are charged in the future, because the fees are paid out of the Fund's assets on an ongoing basis, over time these fees will increase the cost of your investment and may cost you more than certain other types of sales charges.

NOTE 6 – PURCHASES AND SALES OF SECURITIES

For the year ended August 31, 2024, the cost of purchases and proceeds from the sales or maturities of securities, excluding short-term investments, U.S. government securities, and in-kind transactions were \$123,165,822 and \$128,035,099, respectively.

For the year ended August 31, 2024, there were no purchases or sales of long-term U.S. government securities.

For the year ended August 31, 2024, in-kind transactions associated with creations and redemptions for the Fund were \$6,106,209 and \$4,363,519, respectively.

NOTE 7 – INCOME TAXES AND DISTRIBUTIONS TO SHAREHOLDERS

The tax character of distributions paid during the fiscal years ended August 31, 2024 and August 31, 2023, were as follows:

<u>Distributions paid from:</u>	<u>August 31, 2024</u>	<u>August 31, 2023</u>
Ordinary Income	\$ 3,300,075	\$ -
Long-Term Capital Gains	13,425	-

As of the most recent fiscal year ended August 31, 2024, the components of distributable earnings on a tax basis were as follows:

	<u>August 31, 2024</u>
Investments, at cost ^(a)	\$ 20,223,229
Gross tax unrealized appreciation	2,687,048
Gross tax unrealized depreciation	(677,199)
Net tax unrealized appreciation (depreciation)	2,009,849
Undistributed ordinary income (loss)	3,898,664
Undistributed long-term capital gain (loss)	796,349
Total distributable earnings	4,695,013
Other accumulated gain (loss)	—
Total distributable earnings	\$ 6,704,862

- ^(a) The difference between book and tax-basis unrealized appreciation was attributable primarily to the treatment of wash sales.

Net capital losses incurred after October 31 (post-October losses) and net investment losses incurred after December 31 (late-year losses), and within the taxable year, may be elected to be deferred to the first business day of the Fund's next taxable year. As of the most recent fiscal year ended August 31, 2024, the Fund had not elected to defer any post-October or late year losses.

As of the most recent fiscal year ended August 31, 2024, the Fund did not have long-term or short-term capital loss carryovers.

August 31, 2024

NOTE 8 – SHARE TRANSACTIONS

Shares of the Fund are listed and traded on the NYSE Arca, Inc. Market prices for the shares may be different from their NAV. The Fund issues and redeems shares on a continuous basis at NAV generally in large blocks of shares, called “Creation Units.” Creation Units are issued and redeemed principally in-kind for securities included in a specified universe. Once created, shares generally trade in the secondary market at market prices that change throughout the day. Except when aggregated in Creation Units, shares are not redeemable securities of the Fund. Creation Units may only be purchased or redeemed by Authorized Participants. An Authorized Participant is either (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the National Securities Clearing Corporation or (ii) a Depository Trust Company participant and, in each case, must have executed a Participant Agreement with the Distributor. Most retail investors do not qualify as Authorized Participants nor have the resources to buy and sell whole Creation Units. Therefore, they are unable to purchase or redeem the shares directly from the Fund. Rather, most retail investors may purchase shares in the secondary market with the assistance of a broker and are subject to customary brokerage commissions or fees.

The Fund currently offers one class of shares, which has no front-end sales load, no deferred sales charge, and no redemption fee. A fixed transaction fee is imposed for the transfer and other transaction costs associated with the purchase or sale of Creation Units. The standard fixed transaction fee for the Fund is \$300, payable to the Custodian. The fixed transaction fee may be waived on certain orders if the Fund’s Custodian has determined to waive some or all of the costs associated with the order or another party, such as the Adviser, has agreed to pay such fee. In addition, a variable fee may be charged on all cash transactions or substitutes for Creation Units of up to a maximum of 2.00% and for Redemption Units of up to a maximum of 2% of the value of the Creation Units and Redemption Units subject to the transaction. Variable fees received by the Fund, if any, are disclosed in the capital shares transactions section of the Statements of Changes in Net Assets. The Fund may issue an unlimited number of shares of beneficial interest, with no par value. All shares of the Fund have equal rights and privileges.

NOTE 9 – RECENT MARKET EVENTS

U.S. international markets have experienced and may continue to experience significant periods of volatility in recent years and months due to a number of economic, political and global macro factors including rising inflation, uncertainty regarding central banks’ interest rates, the possibility of a national or global recession, trade tensions, political events, the war between Russia and Ukraine, significant conflict between Israel and Hamas in the Middle East, and the impact of COVID-19. The global recovery from COVID-19 may last for an extended period of time. As a result of continuing political tensions and armed conflicts, including the war between Ukraine and Russia, the U.S. and the European Union imposed sanctions on certain Russian individuals and companies, including certain financial institutions, and have limited certain exports and imports to and from Russia. The war has contributed to recent market volatility and may continue to do so. The Middle East conflict has led to significant loss of life, damaged infrastructure and escalated tensions both in the region and globally. These developments, as well as other events, could result in further market volatility and negatively affect financial asset prices, the liquidity of certain securities and the normal operations of securities exchanges and other markets, despite government efforts to address market disruptions. As a result, the risk environment remains elevated. The Adviser and Sub-Adviser will monitor developments and seek to manage the Fund in a manner consistent with achieving the Fund’s investment objective, but there can be no assurance that they will be successful in doing so.

NOTE 10 – SUBSEQUENT EVENTS

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

Report of Independent Registered Public Accounting Firm

Clockwise Core Equity & Innovation ETF

To the Shareholders of Clockwise Core Equity & Innovation ETF and

Board of Trustees of Tidal Trust II

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Clockwise Core Equity & Innovation ETF (the “Fund”), a series of Tidal Trust II, as of August 31, 2024, the related statements of operations and changes in net assets and the financial highlights for the year 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 August 31, 2024, the results of its operations, the changes in net assets, and the financial highlights for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Fund’s financial statements and financial highlights for the years ended August 31, 2023, and prior, were audited by other auditors whose report dated October 27, 2023, expressed an unqualified opinion on those financial statements and financial highlights.

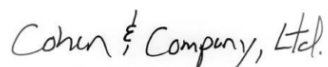
Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audit. 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of August 31, 2024, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We have served as the Fund’s auditor since 2024. We have served as the auditor of one or more of Tidal Investment LLC’s Investment companies since 2020.



COHEN & COMPANY, LTD.

Philadelphia, Pennsylvania

October 30, 2024

QUALIFIED DIVIDEND INCOME/DIVIDENDS RECEIVED DEDUCTION

For the fiscal year ended August 31, 2024, certain dividends paid by the Fund may be subject to a maximum tax rate of 23.8%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003 and the Tax Cuts and Jobs Act of 2017. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Clockwise Core Equity & Innovation ETF	6.29%
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For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended August 31, 2024, was as follows:

Clockwise Core Equity & Innovation ETF	5.93%
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The percentage of taxable ordinary income distributions that are designated as short-term capital gain distribution under Internal Revenue Section 871(k)(2)(c) for the fiscal year ended August 31, 2024, was as follows:

Clockwise Core Equity & Innovation ETF	100.00%
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