KDEF

PLUS Korea Defense Industry Index ETF

The PLUS Korea Defense Industry Index ETF (KDEF) seeks to provide investment results that correspond generally to the total return performance of the Korea Defense Industry Index, before fees and expenses. The index is designed to track the performance of South Korean companies that have demonstrated high relevance to defense.

Why KDEF?

1. Evolving Global Defense Landscape

- **Shifting Security Needs:** Nations start to reassess and strengthen long-term security strategies[1]
- **Rising Defense Budget:** Global trend of increasing defense expenditures[1]

2. Resilient Supply Chain & Operations

- **Stable Production capacity:** Production-ready manufacturing infrastructure allows on-time delivery[2]
- **Proven System Stability:** Globally recognized **cost-efficient solutions backed by quality validation**[3]

3. Enhanced Margin Profit

- **Favorable Export Economics:** Domestic procurement margins are structurally regulated and capped; **international contracts offer improved profitability**[4]
- **Optimized Cost Structure:** Mature production lines and fully amortized initial R&D costs facilitate **highly efficient and immediate manufacturing**

Fund Facts

Ticker	KDEF
CUSIP	30151E491
Exchange	NYSE Arca
Inception Date	Feb 5, 2025
Number of Holdings	20
Total Annual Fund Operating Expenses	0.65%
Net Assets	$100,070,827.72

Underlying Index

Name	The Korea Defense Industry Index
Index Admin	Akros Technologies, Inc.
Index Calculator	Solactive AG
Index Provider	Hanwha Asset Management Co. Ltd.

Fund Management

Adviser	Exchange Traded Concepts, LLC
Administrator	Ultimus Fund Solutions, LLC
Distributor	Foreside Fund Services, LLC

Footnotes:
1) SIPRI Annual Report. 2024 & 2025
2) Asia-Pacific Defence Reporter & SIPRI
3) Official Ministry of Defense procurement announcements (UAE, Saudi Arabia), LIG NEX1 Corporate report.
4) Defense Acquisition Program Administration (DAPA) reports

Performance

As of Jul 31, 2026	1M	3M	6M	YTD	1Y	Since Inception Annualized	3Y	5Y
Fund NAV	-5.18%	-39.43%	-34.89%	-12.89%	-6.12%	+56.81%	TBD	TBD
Market Price	-12.30%	-44.96%	-38.38%	-19.05%	-11.09%	+49.99%	TBD	TBD

Inception Date: Feb 5, 2025
Informational purposes only and does not constitute and offer or solicit to invest. Past performance is not indicative of future results. The value of investments and income from them may go down as well as up, and investors may not get back the original amount invested.
The performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the original cost. Returns for periods of less than one year are not annualized. Performance data for the most recent month-end is available above.
The market price returns are based on the official closing price of an ETF share or, if the official closing price isn't available, the midpoint between the national best bid and national best offer ("NBBO") as of the time the ETF calculates current NAV per share, and do not represent the returns you would receive if you traded shares at other times. NAVs are calculated using prices as of 4:00 PM Eastern Time.

Description

Focused exposure to top South Korean defense companies using LLM-driven thematic relevance and market cap weighting listed on KOSPI and KOSDAQ.
The Korea Defense Industry Index is designed to provide focused long exposure to South Korean companies that demonstrate high relevance to the defense industry, specifically targeting stocks listed on the KOSPI and KOSDAQ exchanges. The index employs a sophisticated dual-scoring methodology using Large Language Model (LLM) technology to evaluate companies, first applying an absolute thematic relevance score to identify qualified candidates (score ≥0.5), then using a relative scoring system to select the top 50% performers among the qualified companies. The final index weighting combines market capitalization (70% weight) and thematic relevance scores (30% weight), with individual constituent weights capped at 20% and subject to additional optimization constraints to ensure proper diversification and investability. The index undergoes quarterly rebalancing and features robust governance through the Akros Index Committee, which validates company through revenue analysis to maintain the index's integrity and alignment with the defense sector.

Sector/Industry Breakdowns

Industrials	72.93%
Aerospace & Defense	48.55%
Construction Machinery & Heavy Transportation Equipment	21.63%
Industrial Machinery & Supplies & Components	2.75%
Consumer Discretionary	15.48%
Materials	5.69%
Information Technology	3.02%
Health Care	2.67%
Cash & Other	0.22%
	100.00%

Country Breakdowns

South Korea	100.00%
	100.00%

Top 10 Holdings

HANWHA AEROSPACE CO LTD	21.08%
HYUNDAI ROTEM CO LTD	8.12%
LIG NEX1 CO LTD	7.27%
KOREA AEROSPACE INDUSTRIES LTD O RD	7.07%
POONGSAN CORP	5.69%
SAMHYUN ORD	4.72%
SNT MOTIV CO LTD	4.68%
SNT DYNAMICS CO LTD	4.48%
SK OCEANPLANT CO LTD	4.26%
SATREC INITIATIVE CO LTD	3.53%
	70.90%

Holdings are subject to change. Current and future holdings subject to risk.

Risk Disclosure and Important Information

Carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. This and additional information can be found on the Fund's full or summary prospectus, which may be obtained at www.plusetf.com. Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal. There is no guarantee the Fund will achieve their stated objectives. In addition to the normal risks associated with investing, international investments may involve the risk of capital loss from unfavorable fluctuation in currency values, differences in generally accepted accounting principles or social, economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. The Fund's concentration in an industry or sector can increase the impact of, and potential losses associated with, the risks from investing in those industries/sectors.

The Fund's concentration in a single country or a limited number of countries will increase the impact of, and potential losses associated with, the risks from investing in those countries.

The Fund is non-diversified. The Fund is new and has a limited operating history for investors to evaluate. A new and smaller fund may not attract sufficient assets to achieve investment and trading efficiencies. In addition to the normal risks associated with investing, investments in smaller companies typically exhibit higher volatility.

The Fund may invest in securities denominated in foreign currencies. Because the Fund's NAV is determined in U.S. dollars, the Fund's NAV could decline if currencies of the underlying securities depreciate against the U.S. dollar or if there are delays or limits on repatriation of such currencies. Currency exchange rates can be very volatile and can change quickly and unpredictably.

The Fund is a recently organized investment company with no operating history. As a result, prospective investors have no track record or history on which to base their investment decision. Moreover, investors will not be able to evaluate the Fund against one or more comparable funds on the basis of relative performance until the Funds has established a track record.

The Fund invests in securities denominated in South Korean won. Investments denominated in non-U.S. currencies and investments in securities or derivatives that provide exposure to such currencies, currency exchange rates or interest rates are subject to non-U.S. currency risk. Changes in currency exchange rates and the relative value of non-U.S. currencies will affect the value of the Fund's investment and the value of your Fund shares. Because the Fund's net asset value is determined on the basis of U.S. dollars, the U.S. dollar value of your investment in the Fund may go down if the value of the local currency of the non-U.S. markets in which the Fund invests depreciates against the U.S. dollar. This is true even if the local currency value of securities in the Fund's holdings goes up. Conversely, the U.S. dollar value of your investment in the Fund may go up if the value of the local currency appreciates against the U.S. dollar.