PLUS Korea Defense Industry Index ETF

Ticker: KDEF

Hanwha Asset Management

01. Investment Highlights

PLUS Korea Defense Industry Index ETF (KDEF)

National Defense Highlighted in Trump 2.0 Era

- **Rising Geopolitical Risks Highlight National Defense**
- **Trump 2.0: The Arms Race Intensify**

K-Defense Expands to the U.S. Market

- Hanwha Aerospace's **'K9 SPH'**, LIG Nex1's **'Bigung'**, etc.
- Driving Growth with US Navy MRO & Future KAI Orders
- Exports to the U.S. Validate K-Defense Excellence

K-Defense Boom to Continue in 2026

- **'Cost-effectiveness' & 'Fast Delivery' as Competitive Edge**
- **Increasing Orders & Profit Highlight Industry Boom**
- **Strong Momentum Driven by New Orders & Profit Growth**

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02. The Global Defense Industry Landscape

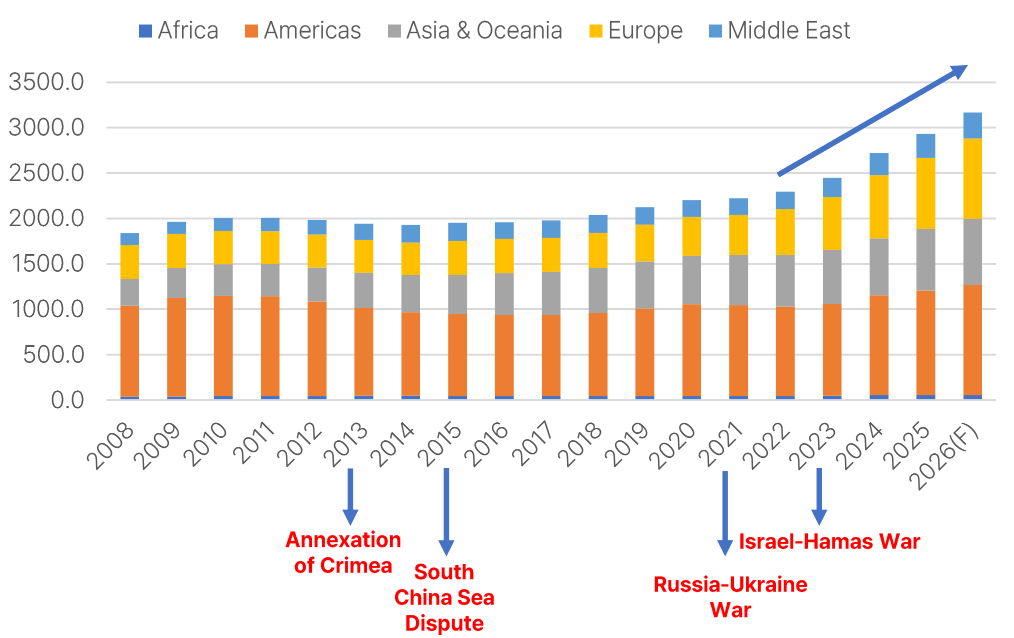
+ National Defense: No Longer a Choice, But a *Necessity*

+ Rising geopolitical risks globally **highlight the importance of national defense**

+ Trump's return accelerates global ‘nationalism’, boosting global defense spending worldwide

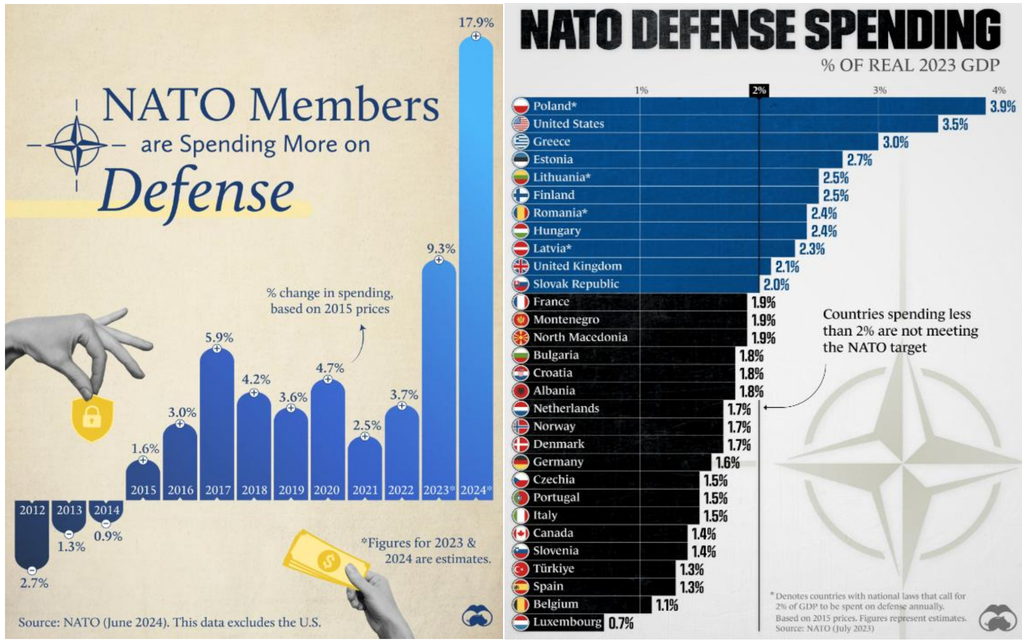
+ Europe has increased defense spending-a trend spreading to the Middle East, Asia, South America

Global Defense Spending Trends



Data: SIPRI, Mirae Asset Securities Research Center, and Global Market Consensus

NATO Members are Spending More on Defense



Data: IMF, NATO, Korea Investment & Securities

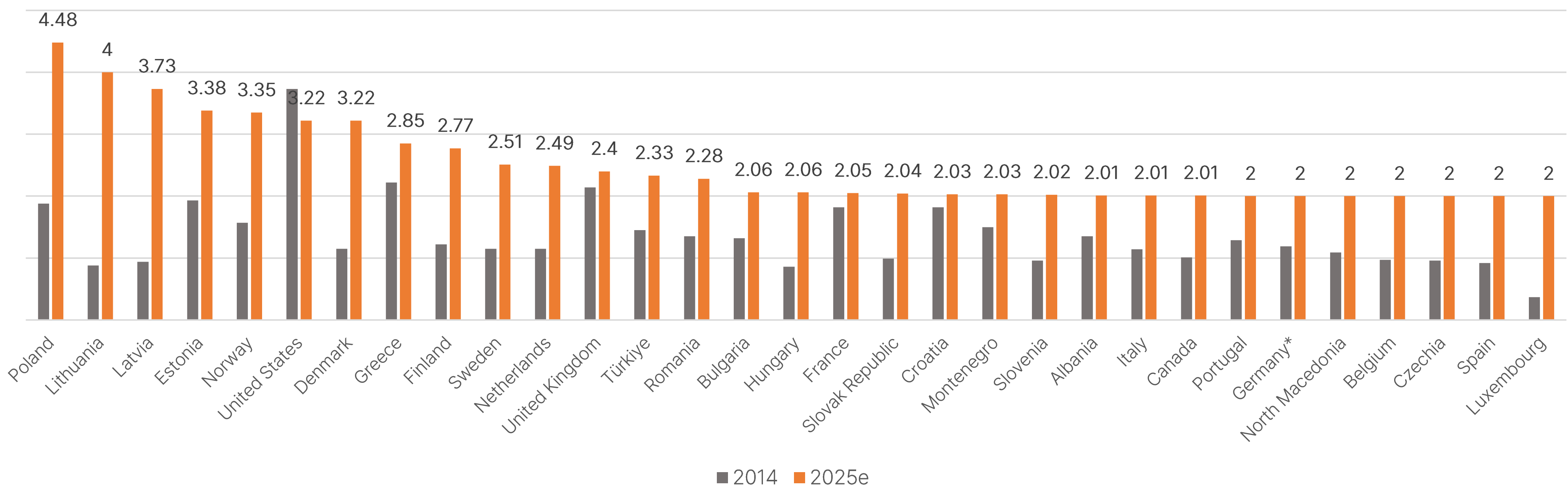
+ Trump 2.0: The Arms Race Intensify

+ NATO Allies Pledge 5% GDP Defense Target by 2035 at Hague Summit in June 2025

+ Trump pressuring NATO members to raise defense budgets up to 5% of GDP

+ Rising national-defense needs in Eastern & Northern Europe also a key growth driver for K-Defense

Trump Demands NATO to Spend upto 5.0% of GDP for Defense



자료: NATO(https://www.nato.int/content/dam/nato/webready/documents/finance/def-exp-2025-en.pdf)

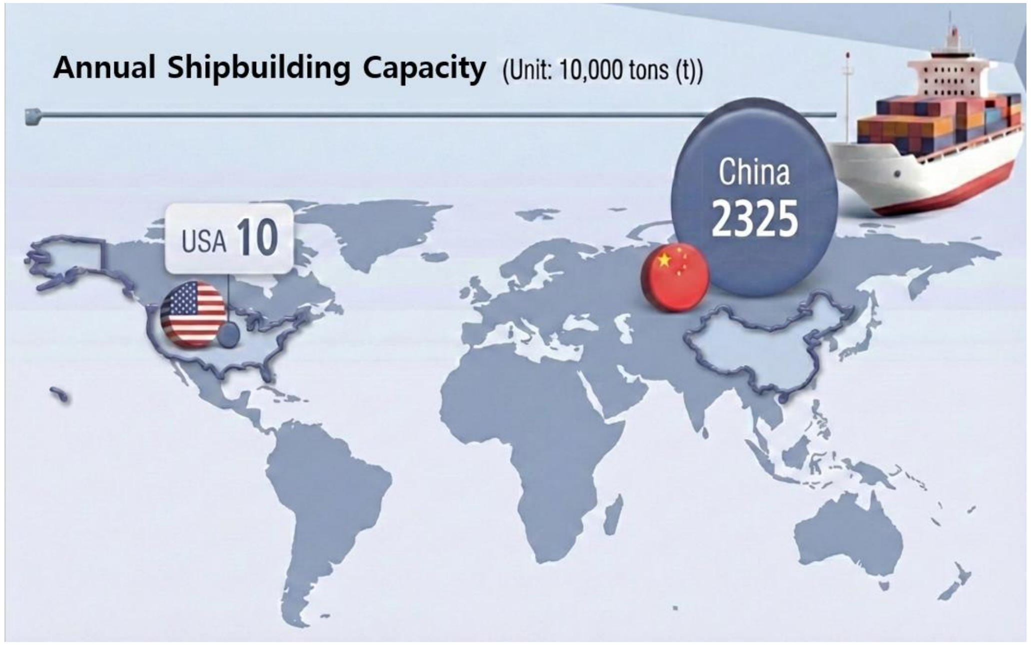
+ K-Defense Industry Rising Amid US-China Arms Race

+ Trump pledged to **'Build the Strongest Military in History'**– signaling his vision for military strength

+ K-Defense solidifies its status as Key Partner for Trump 2.0's '355-Ship Fleet' Plan

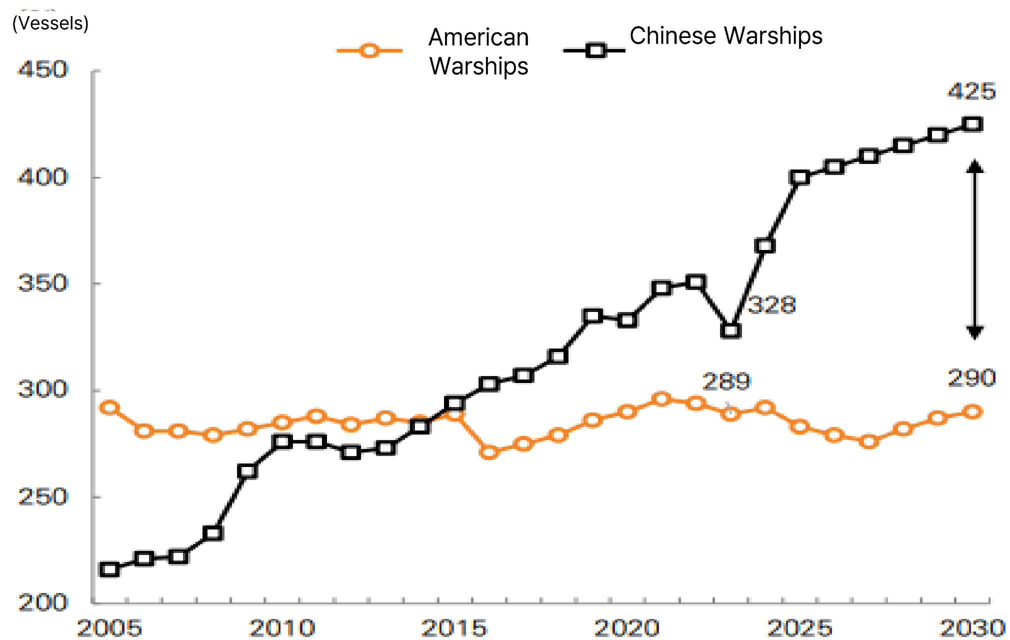
+ The U.S. military in need to collaborate with K-Defense especially to surpass China in naval power

Comparison of U.S and Chinese Shipbuilding Capacity



Source: Herald Business, CRS, Mirae Asset Securities Research Center

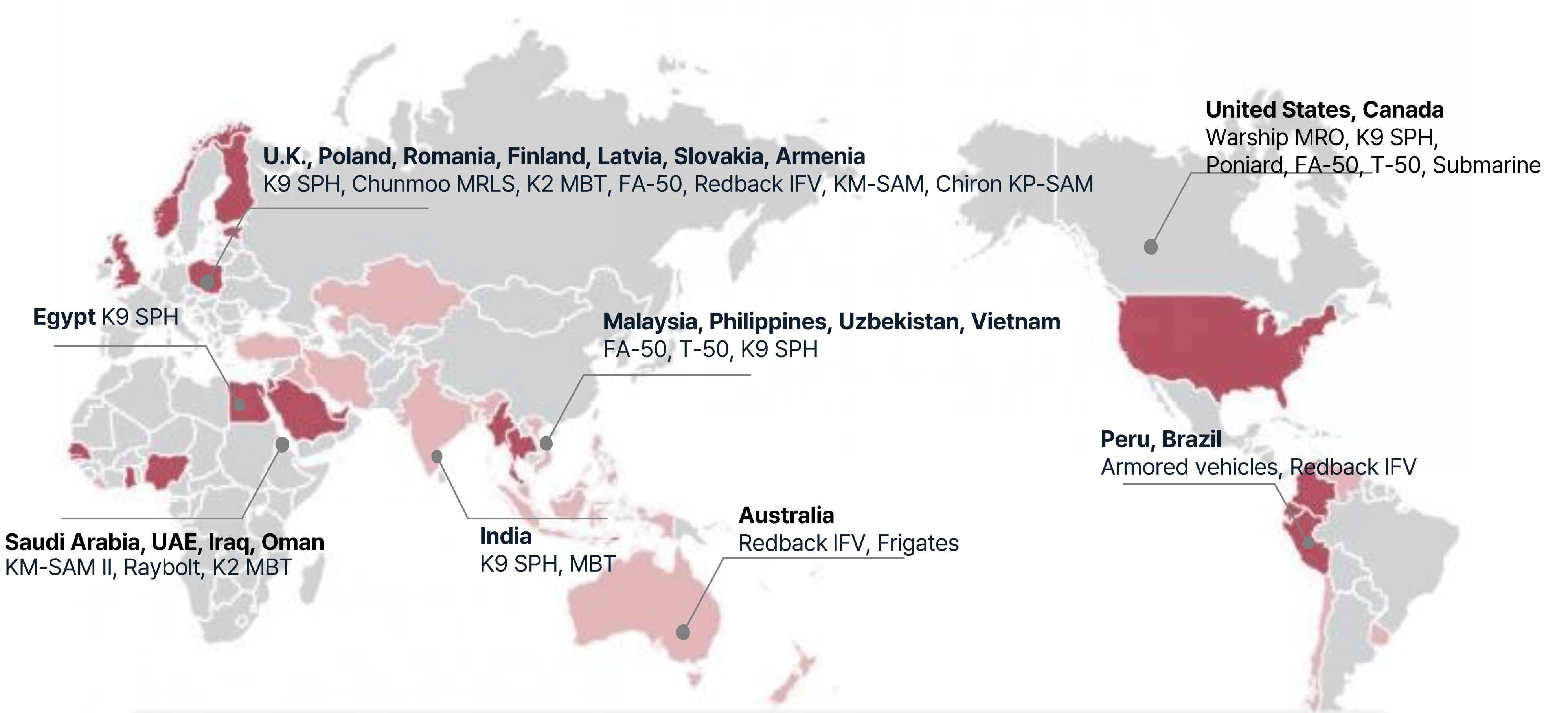
Comparison of U.S. and Chinese Naval Warship Numbers



Data: CRS, Mirae Asset Securities Research Center

03. Global Competitiveness of K-Defense Industry

+ Global Expansion of K-Defense Exports



+ 2026, K-Defense to Enter the "Big Leagues"

+ 2026 K-Defense highlighted as an essential partner for the U.S. Defense Supply Chain

+ Hanwha Ocean: Secured 3 US Navy MRO projects in 2025

+ LIG Nex1: 'Poniard' selected by US Navy (Post-FCT*) & ready for export

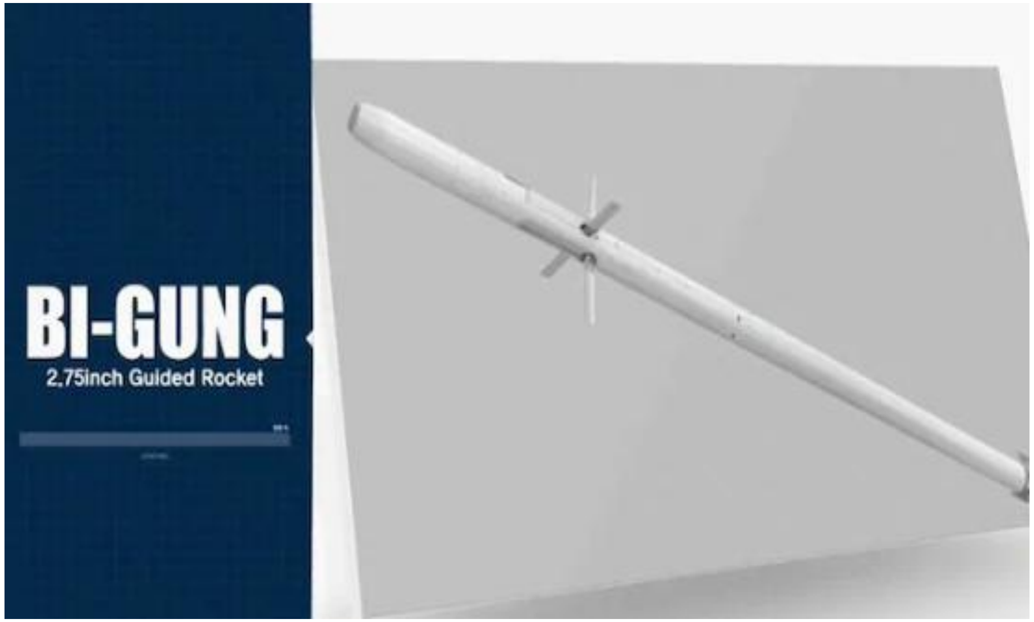
* FCT (Foreign Comparative Testing): A foreign comparative testing program operated by the U.S. Department of Defense and a technology evaluation for procuring excellent foreign defense products not produced in the U.S.

+ Expansion to the U.S. market is a strong catalyst for K-Defense growth

Hanwha Ocean's US Navy MRO Business

Data: Hanwha Ocean Corp.

LIG Nex1's 'Poniard' successfully passed the U.S. FCT



Data: DAPA YouTube screenshot

+ K-Defense Under Global Spotlight

+ Reasons for global fascination with K-Defense: 1) Pricing Advantage & 2) Fast Delivery

+ Development, localization, and mass production of defense technologies lead to cost effectiveness

+ Long-term expertise, seamless supply-chain management enables to deliver products fast

+ Exports continue to many countries (i.e. Europe, Middle East), recently adding Latin America

K-Defense Delivers First Batch for Poland in Just 3 Months

Data: Media report

K-Defense Industry's Strength in Cost-Effectiveness

K-Defense Industry	Weapon Systems	Competitors
K9 SPH KRW 5 billion	Self-Propelled Howitzer	Germany PzH2000 KRW 10 billion
K2 MBT KRW 8 billion	Main Battle Tank	Germany Leopard 2A7 KRW 16 billion
Chunmoo MRLS KRW 3 billion	Multiple Rocket Launcher	U.S. HIMARS KRW 5 billion
FA-50 KRW 30 billion	Light Combat Aircraft	Italy M-346FA KRW 40 billion

Data: CRS, Mirae Asset Securities Research Center

+ Re-rating Secured by Order Explosion & Realized Earnings

+ Recent performance indicators, such as operating profit margins, have shown rapid growth

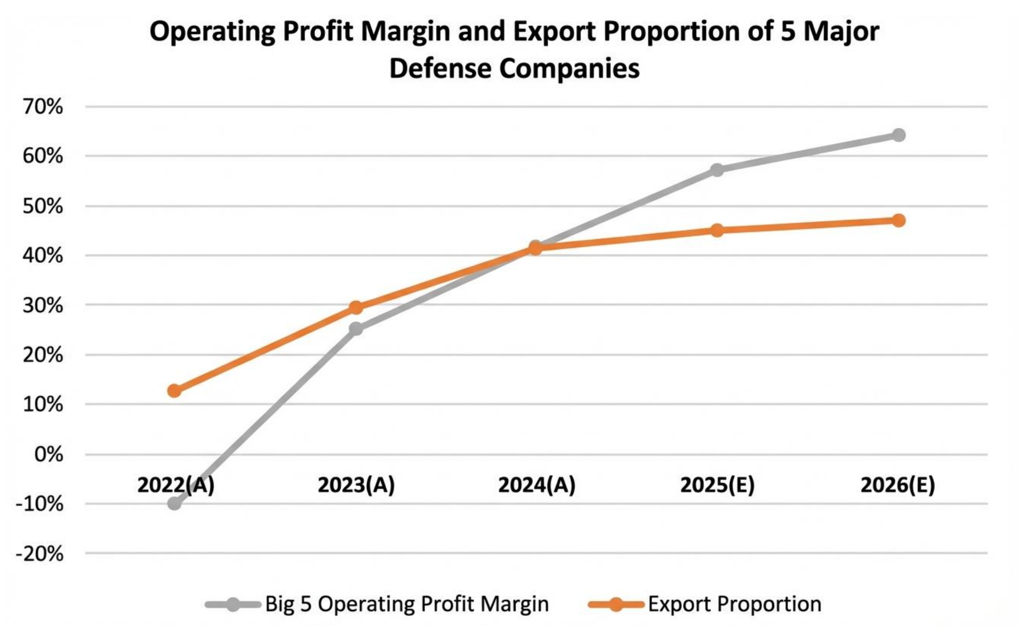
+ Exports exceeding 50% and margins stabilized at 15-20% confirm structural profitability improvement

+ Revenue recognition for high-margin export projects (Poland, Romania, Middle East)

+ **"Big 4"* combined backlog tops KRW 120T, securing a record-breaking rally for next 3-5 years**

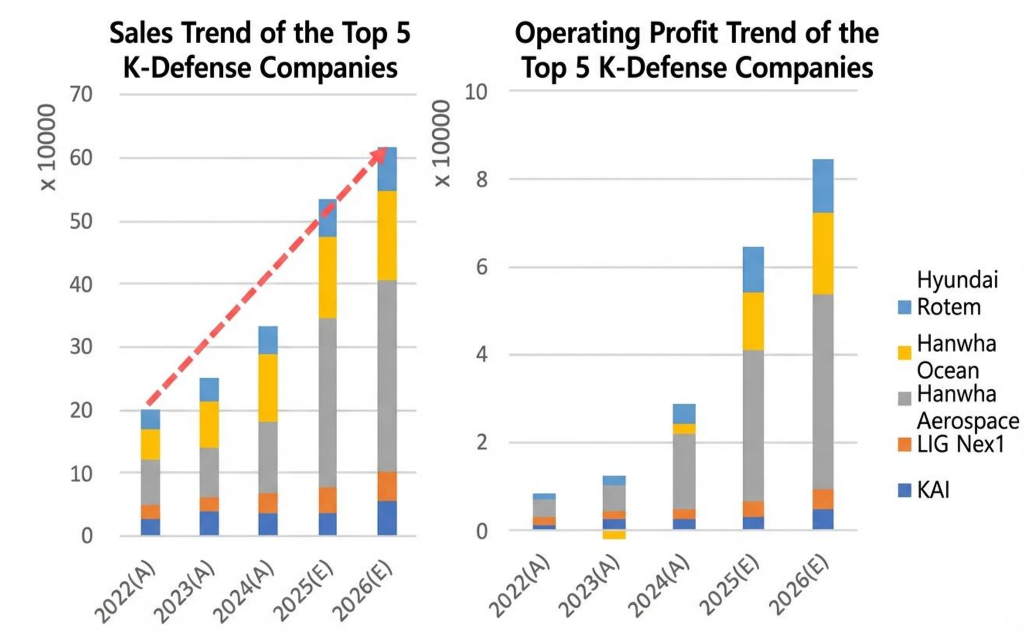
*Hanwha Aerospace, KAI, Hyundai Rotem, LIG Nex 1

Operating Margins Rising with Export Share (Since 2022)



Data: AEI (Apr. 2024), Mirae Asset Securities Research Center

Revenue and Operating Profit are Projected to Increase



Data: FnGuide, NAVER securities

+ Surging Order Backlogs and Rising Operating Profits of K-Defense

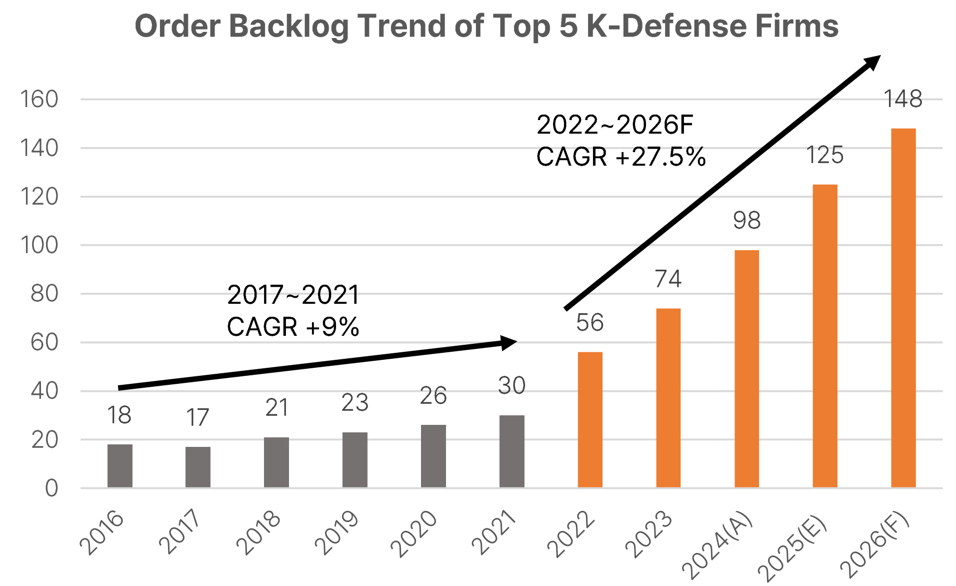
+ Top 5 K-Defense firms' order backlog to hit KRW 150 trillion by 2026 (CAGR +27.5%)

+ Growth accelerated significantly compared from 2016~2021 (CAGR 9%)

+ High-margin exports boost 2026 profit to KRW 6.4T (+60% from previous forecast)

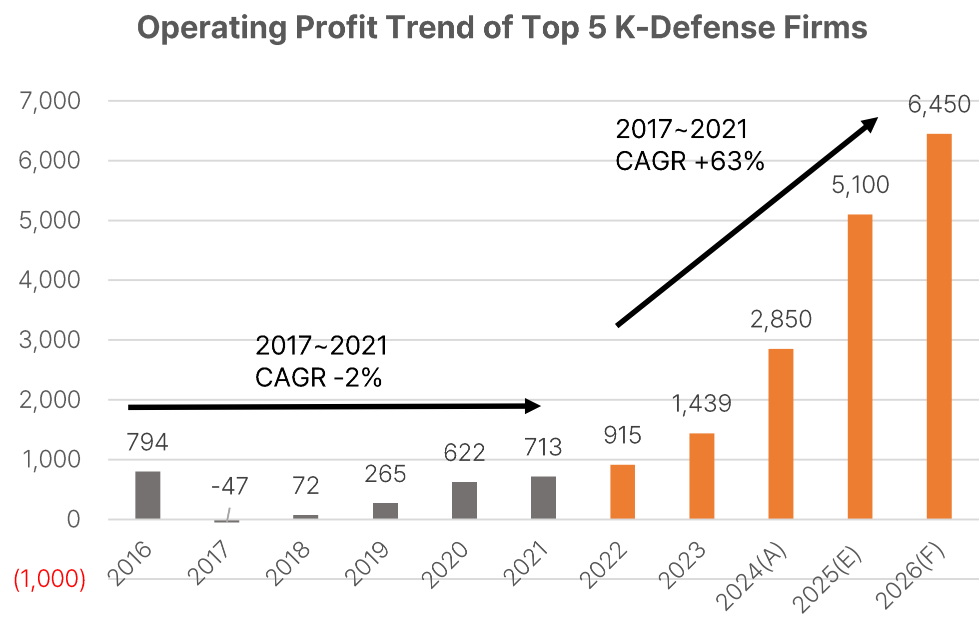
+ Operating profit declined to -2% from 2016-2021, but is expected to surge to +63% from 2022-2026

Order Backlog of Top 5 K-Defense Firms 5Y CAGR hit +27.5%



Data: Estimates from Quantiwise and Mirae Asset Securities Research Center

Profit of Top 5 K-Defense Firms 5Y CAGR hit +63%



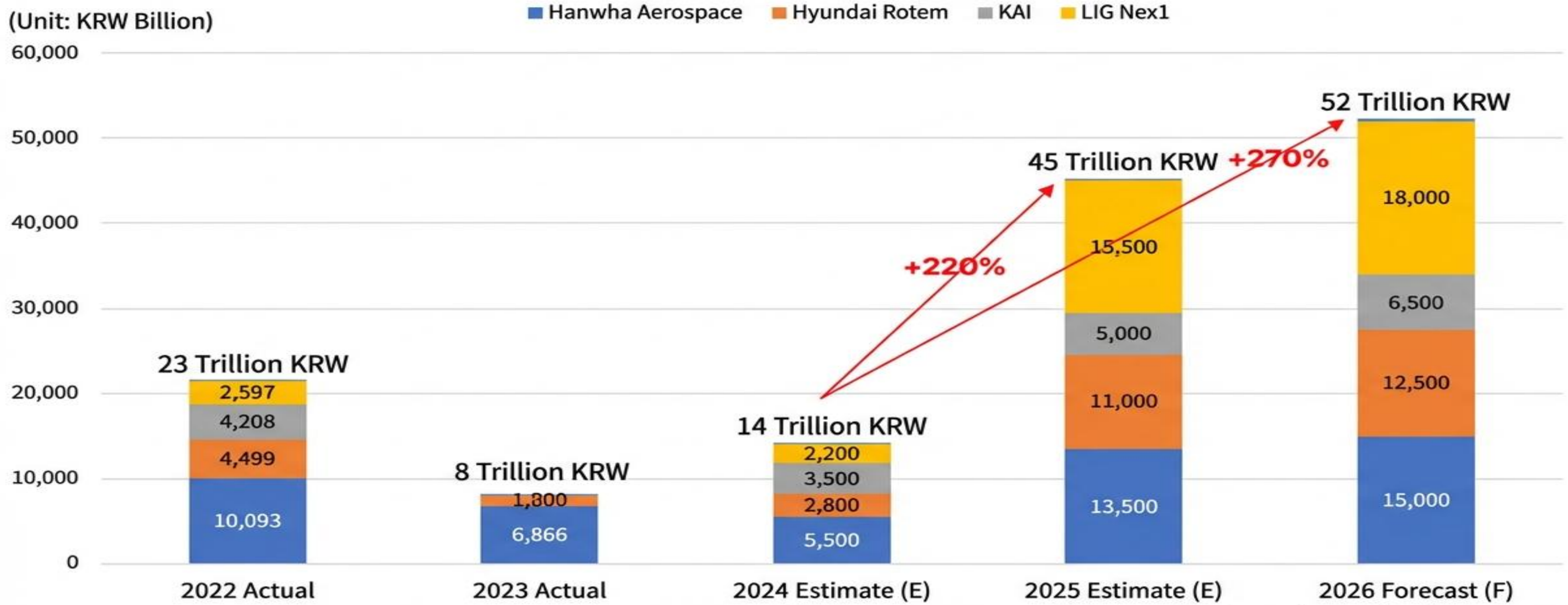
Data: Estimates from Quantiwise and Mirae Asset Securities Research Center

+ K-Defense Outlook Remains Strong for 2026

+ 2025: Achieved record annual orders of KRW 45T via major Middle East & Europe contracts

+ 2026: K-Defense forecast to reach an all-time high of KRW 52T as exports accelerate

2026 K-Defense Order Forecast



Source: LIG Nex1: Based on Iraq M-SAM-II Contract Disclosure (2024.09) and Hana/IBK Securities Reports (2025.01).
Hanwha Aerospace/Hyundai Rotem: Based on Romania Ministry of Defense Announcement and Polish Armament Agency Contract Progress.
Average of Order Guidance from Major Securities Firms (Mirae Asset, NH, Samsung) 2026 Defense Sector Outlook Reports.

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04. Leading Frims in the K-Defense Industry

+ Hanwha Aerospace, *the Lockheed Martin of Korea*

+ Hanwha Aerospace is a comprehensive defense company covering all land, sea and air

+ The **'K9 SPH'** is a global best-seller, dominating the market with a share exceeding 60%

+ Other notable products- the 'Redback' and 'Cheonmu', exported to Australia and Poland respectively

'K9 SPH', Global Top Selling Self-propelled Howitzer

Data: Hanwha Aerospace

'Chunmoo MRLS', Large-scale Contract in Place with Poland

Data: Hanwha Aerospace

+ Korea Aerospace Industries (KAI), *Unlocking Unlimited Potential*

+ A leading firm in the aerospace industry- designing & engineering military/civilian aircraft, helicopters

+ KAI has signed contracts with Poland, Malaysia and the Philippines for **'FA-50', a light attack aircraft**

+ **KAI Partners with Lockheed Martin to target the U.S. Defense Market, preparing for RFP worth $4 billion**

FA-50 LAA, KAI' Signature Product

Data: Korea Aerospace Industries

KF-21, Korea's Next Generation Fighter

Data: Korea Aerospace Industries

+ LIG Nex1, *Steadily Preparing for the Future*

+ A leader in advanced weapon systems-specializes in air-defense interception system & guided missiles

+ Secured contracts with UAE, Saudi Arabia, Iraq, establishing a K-Air Defense Network

+ Export of 2.75-inch guided rocket 'Poniard' (Bigung) to the U.S. market imminent

+ Expanding collaboration with “Ghostrobotics” that was acquired in 2024

'KM-SAM II', Established a K-Air Defense Network

Data: LIG Nex1

'Vision 60' by Ghostrobotics acquired by LIG Nex1

Data: Ghostrobotics

+ Hyundai Rotem, *Building on Success in Poland*

+ Manufacturer of the **'K2 Black Panther'**- the flagship next-generation tank representing K-Defense

+ Record-breaking performance driven by stable delivery of the initial batch of K2 tanks in Poland

+ Building on success in Peru, Hyundai Rotem actively expanding to South America and the Middle East

+ **Leveraging synergy with Hyundai Group & Boston Dynamics to Upgrade the 'HR-Sherpa' UGV**

Hyundai Rotem's K2 MBT

Data: Hyundai Rotem

Various robots from Boston Dynamics

Data: Boston Dynamics

+ Hanwha Ocean, *Key Partner for Trump's Navy Rebuild*

+ Korea's leading shipbuilder specializing in naval vessels, including submarines and surface combatants

+ Successful execution of US Navy MRO projects led to expanding **its scope of business to combat ships**

+ Acquisition of 'Philly Shipyard' to expand to the U.S market and meet the 'Made in USA' requirement

+ Purse large-scale naval contracts: Canadian Patrol Submarine Project & Australian Frigate Program etc.

U.S. Navy logistics support ship arrives at Hanwha Ocean yard for MRO

Data: Hanwha Ocean

Philly Shipyard, located next to the Philadelphia Navy Yard

Data: Hanwha Ocean

04. KDEF ETF

PLUS ETF

Fund Facts

Fund Name	PLUS Korea Defense Industry Index ETF
Ticker	KDEF
CUSIP	30151E491
Investment Objectives	The PLUS Korea Defense Industry Index ETF seeks to provide investment results that, before fees and expenses, correspond generally to the total return performance of the Korea Defense Industry Index
Exchange	NYSE Arca
Underlying Index	The Korea Defense Industry Index
Number of Holdings	23
Index Provider	Hanwha Asset Management Co. Ltd.
Index Administrator	Akros Technologies, Inc.
Total Expense Ratio	0.65% per annum
Currency Hedge	Unhedged
Adviser	Exchange Traded Concepts, LLC
Rebalancing	4 times a year (quarterly) (Performed 3 business days (D+3) after the last trading day (D) of each quarter and reflected at the start of D+4)
Inception Date	Feb. 5, 2025

※ Data as of Mar 31, 2026

As of Mar 31, 2026

Sector/Industry Breakdowns

Industrials	83.87%
Aerospace & Defense	54.76%
Machinery	25.41%
Industrial Conglomerates	2.38%
Construction & Engineering	1.32%
Consumer Discretionary	7.47%
Automobile Components	5.91%
Automobiles	1.56%
Health Care	5.14%
Materials	2.87%
Cash & Other	0.66%
	100.00%

Top 10 Holdings

HANWHA AEROSPACE CO LTD	17.58%
HYUNDAI ROTEM CO LTD	10.21%
KOREA AEROSPACE INDUSTRIES LTD ORD	9.99%
HANWHA SYSTEMS CO LTD	7.67%
LIG NEX1 CO LTD	7.33%
SATREC INITIATIVE CO LTD	6.68%
SPHERE CORP	5.14%
SNT DYNAMICS CO LTD	3.07%
NEUROMEKA CO LTD	2.87%
POONGSAN CORP	2.87%
	73.41%

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

Country Breakdowns

South Korea	100.0%
	100.0%

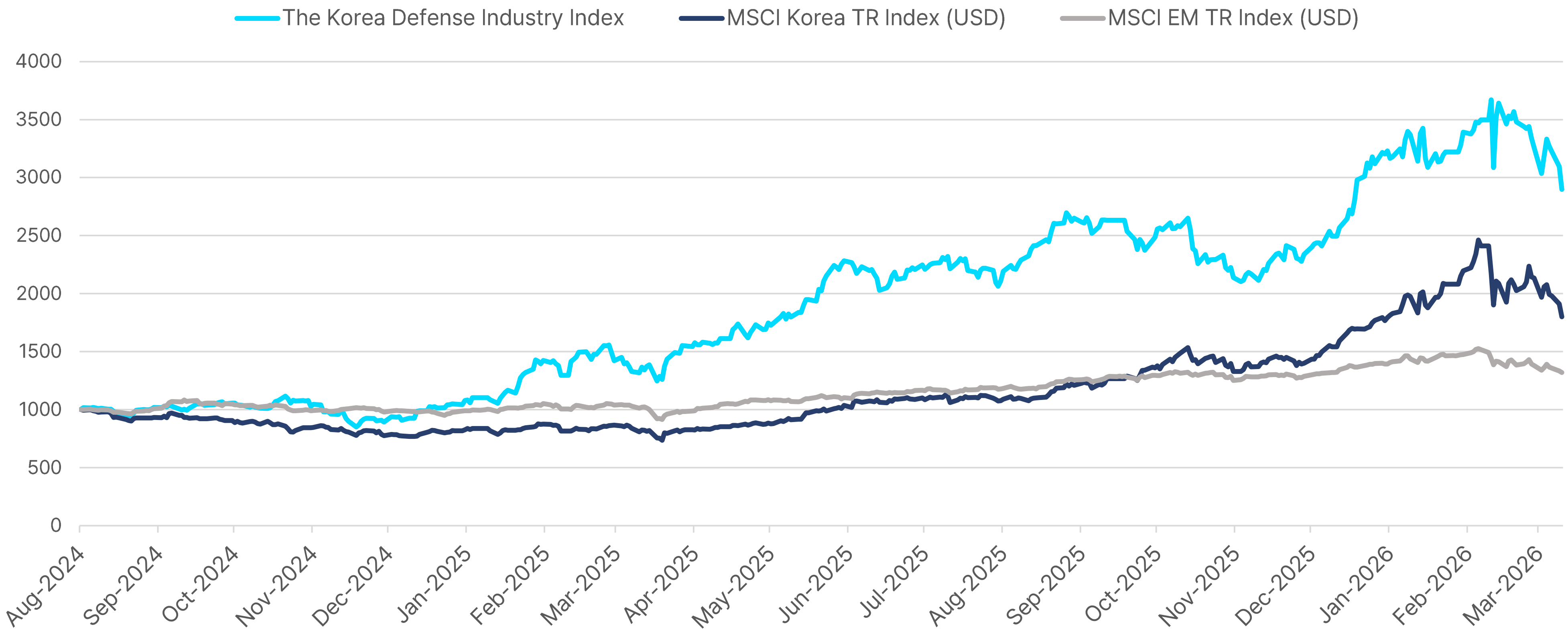
Fund's Performance

As of Mar 31, 2026	1M	3M	6M	YTD	1Y	Since Inception Annualized	3Y	5Y
Fund NAV	-17.59%	+14.20%	+8.49%	+14.20%	+115.52%	+126.12%	TBD	TBD
Market Price	-13.39%	+20.17%	+13.28%	+20.17%	+125.61%	+137.86%	TBD	TBD

Inception Date: Feb 5, 2025

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.

+ Index's Performance Comparison



	1-month	3-month	6-month	YTD	1-year
The Korea Defense Industry Index	-16.90%	16.50%	10.69%	16.50%	121.67%
MSCI KOREA TR Index (USD)	-25.40%	16.68%	48.63%	16.68%	122.71%
MSCI EM TR Index (USD)	-13.03%	-0.10%	4.68%	-0.10%	30.30%

※ As of Mar 31, 2026

Data: Bloomberg. The performance data quoted represents past performance. Past performance does not guarantee future results. Index returns are for illustrative purpose only. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot directly in an index.

Index Definitions:

The Korea Defense Industry Index: The index is designed to track the performance of South Korean companies that have demonstrated high relevance to defense ("Korea Defense Companies"). Under normal circumstances, the fund invests at least 80% of its net assets (plus the amount of any borrowings for investment purposes) in securities comprising the index.

MSCI KOREA TR Index (USD): The MSCI Korea Index is designed to measure the performance of the large and mid cap segments of the South Korean market. With 92 constituents, the index covers about 85% of the Korean equity universe. The MSCI Korea Index was launched on Mar 31, 1989.

MSCI EM TR Index (USD): The MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets (EM) countries. With 1,250 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. The MSCI Emerging Markets Index was launched on Jan 01, 2001.

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.

The Fund is distributed by Foreside Fund Services, LLC and Exchange Traded Concepts, LLC serves as the investment advisor of the funds. Foreside Fund Services, LLC is not affiliated with Exchange Traded Concepts, LLC or any of its affiliates.

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