

Aptus Deferred Income ETF Use Case (DEFR)

Why Do Investors Own Bonds? Diversification and Risk Reduction.

If you could achieve **similar risk benefits of bonds**, with **higher return potential** and **improved tax efficiency**, why wouldn't you use it?

THREE STRATEGIC EDGES RELATIVE TO TRADITIONAL BONDS

The Aptus Deferred Income ETF (DEFR) is a next-generation bond alternative designed to outperform the Bloomberg U.S. Aggregate Bond Index while enhancing tax efficiency.

STRUCTURAL ADVANTAGE

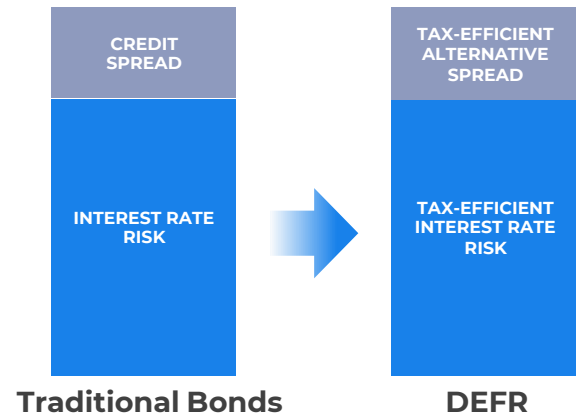
- ✓ Replaces traditional credit spread with an alternative return that aims to offer improved outcomes

DYNAMIC RISK MANAGEMENT

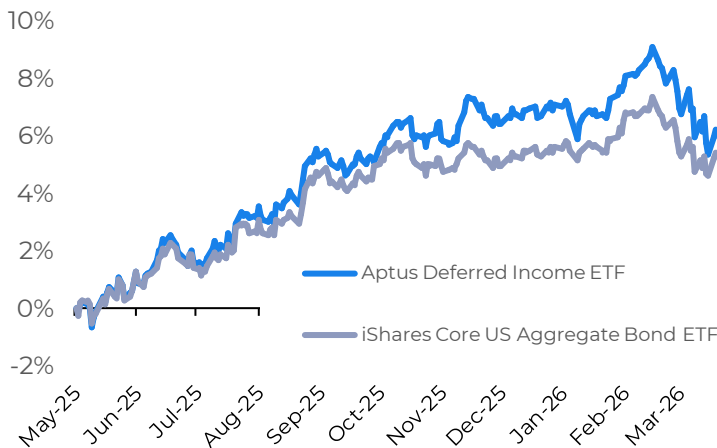
- ✓ Adjusts exposure to interest rate and incremental spread based on market conditions

TAX-EFFICIENT

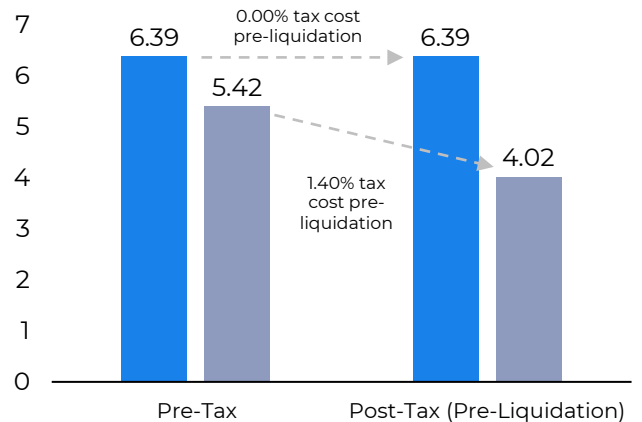
- ✓ Designed to minimize taxable distributions



Return Since DEFR Inception
(5/13/25 - 3/31/26)



Pre- and Post-Tax Return (%)
(5/13/2025 - 3/31/2026)



Fund Performance as of 03/31/2026
Inception Date - 05/13/2025

	Pre-Tax		Post-Tax Pre-Liquidation	
	Q1 2026	Since Inception	Q1 2026	Since Inception
DEFR: NAV	-0.46%	6.19%	-0.46%	6.19%
DEFR: Market Price	-0.42%	6.39%	-0.42%	6.39%
Bloomberg US Agg Bond Index	-0.05%	5.42%	-0.43%	4.02%

DEFR Gross Expense Ratio 0.79%

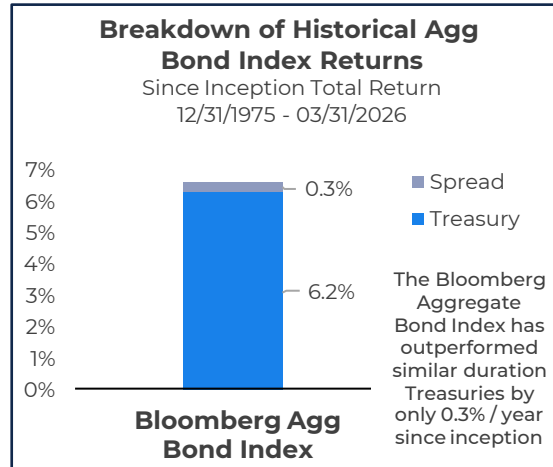
The performance data represents past performance & does not guarantee future results. Investment return & principal value of an investment will fluctuate so that an investor's shares may be worth more or less than their original cost when sold or redeemed. Current performance may be higher or lower than the performance quoted. Post-tax returns are calculated by reducing pre-tax returns based on assumed tax rates of 33% Federal and 8% State on coupon income for the Bloomberg Agg and 33% Federal for the Bloomberg Agg Bond Treasury Index. Actual tax rates may vary based on an investor's individual circumstances. Short term performance in particular is not a good indication of the fund's future performance and an investment should not be made based solely on returns. For performance data current to the most recent month end, please call (251) 517-7198, or visit aptusetfs.com.

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BUILT TO ADDRESS THE RETURN AND TAX CHALLENGES FACING BONDS

THE RETURN PROBLEM

- Low after-inflation, after-tax returns
- Only 0.3% of Agg Bond returns since the 1975 inception are from credit spread
- Current credit spreads are near record tight levels



THE TAX PROBLEM

- Coupons, not price, determine returns over time
- Coupons are taxed at higher short-term rates, even if bond prices decline
- Annual taxation prevents pre-tax compounding, reducing long-term growth

Charts Source: CBOE, Bloomberg, Aptus as of 03/31/2026. Treasury and Spread components of the Bloomberg US Aggregate Bond Index Returns are shown. Treasury reflects the return from Treasury exposure with similar duration as the Agg, while Spread is calculated as the excess return of the Aggregate Bond Index over similar duration Treasuries. Past performance is no guarantee of future results. Index performance is not illustrative of fund performance. One cannot invest directly in an index.

Past performance is not indicative of future results. This material is not financial advice or an offer to sell any product. The information contained herein should not be considered a recommendation to purchase or sell any particular security. Forward looking statements cannot be guaranteed.

The Funds are distributed by Quasar Distributors LLC, which is not affiliated with Aptus Capital Advisors, LLC. The information provided is not intended for trading purposes and should not be considered investment advice. Investing involves risk. Principal loss is possible. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than diversified funds. Therefore, the Fund is more exposed to individual stock or ETF volatility than diversified funds.

The Aptus Deferred Income Strategy is subject to the risk that the securities may be more volatile than the market as a whole. The Fund may invest in other investment companies and ETFs which may result in higher and duplicative expenses. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities.

Comparison to iShares Core U.S. Aggregate Bond ETF (AGG): The iShares Core U.S. Aggregate Bond ETF (AGG) was selected for comparison because it is a widely recognized ETF with significant assets that seeks to track the investment results of the Bloomberg U.S. Aggregate Bond Index, serving as a broad proxy for the U.S. investment-grade bond market. Unlike the index itself, AGG provides verifiable tax cost data, allowing for a direct comparison of after-tax efficiency.

Investment Objectives and Strategy Differences: AGG is a passively managed fund that seeks to track the investment results of an index composed of the total U.S. investment-grade bond market. It generates returns primarily through periodic interest payments (coupons) from the underlying bonds, which are typically distributed as ordinary income.

DEFR is an actively managed ETF that seeks to provide deferred income and capital appreciation. Rather than holding physical bonds, DEFR utilizes a synthetic treasury strategy combined with an options-based overlay (selling puts) to generate returns.

Risks, Costs, and Tax Features: Investors should consider the differences in expenses and tax features between the funds. While both funds are subject to the risk of principal fluctuation and loss, AGG's tax burden primarily comes from ordinary income distributions. In contrast, DEFR seeks to minimize current taxable distributions by accumulating returns within the fund's Net Asset Value (NAV), aiming to defer taxes until the sale of shares (capital gains). For standardized performance and the most current prospectus for the iShares Core U.S. Aggregate Bond ETF (AGG), please visit [ishares.com](https://www.ishares.com).

The Bloomberg US Aggregate Bond Index is a broad-based benchmark that measures the investment-grade, U.S. dollar denominated, fixed-rate taxable bond market, encompassing Treasury, government-related, corporate, and securitized securities. Investment-grade refers to a higher level of confidence by ratings agencies that the issuer will be able to make its principal and interest payments. Changes in ratings of the underlying debt securities could lead to unexpected credit risk. Duration is a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates.

The Fund's use of options includes selling put options, which exposes the Fund to the potential obligation to purchase the underlying security at a predetermined price if the option is exercised. Selling put options involves risk, as the Fund may incur losses if the value of the underlying security declines below the strike price.

Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Similarly, the transaction costs involved in trading a stock may be more or less than a particular bond depending on the factors mentioned above and whether the stock or bond trades upon an exchange. Depending on the entity issuing the bond, it may or may not afford additional protections to the investor, such as a guarantee of return of principal by a government or bond insurance company.

Bonds are often owned by individuals interested in current income while stocks are generally owned by individuals seeking price appreciation with income a secondary concern. The Fund is subject to risks associated with deferral of income. While the strategy seeks to minimize current taxable income, deferred income may not align with investor cash flow needs and could create future tax consequences. Additionally, the strategy utilizes box spreads, which introduce counterparty risk, complexity, and unique sensitivity to changes in interest rates and implied volatility. These strategies may not perform as intended in all market environments.

For more information about the risks of investing in the Fund, see the section in the Fund's Prospectus, titled "Additional Information About the Funds —Principal Investment Risks." ACIO, ADME, DEFR, DRSK, DUBS, IDUB, JUCY, OSCV, and UPSD are distributed by Quasar Distributors, LLC

Please carefully consider the funds objectives, risks, charges, and expenses before investing. The statutory or summary prospectus contains this and other important information about the investment company. For more information, or a copy of the full or summary prospectus, visit www.aptusetfs.com, or call (251) 517-7198. Read carefully before investing.