



Hilton BDC Corporate Bond ETF

Trading Details

Ticker	HBDC
CUSIP	88636V744
Primary Exchange	NASDAQ
Management Style	Passive

Fund Details

Inception	6/10/2025
Expense Ratio	0.39%
Distribution Frequency	Monthly

Fund Statistics

NAV	25.17
Net Assets	79,292,688
Number of Holdings	120
30 Day SEC Yield (%)	3.74
Average Yield To Maturity (%)	5.22
Average Modified Duration to Maturity	2.72
Option Adjusted Spread to Treasury Curve (bps)	148.5
Yield to Worst Spread to Bloomberg US Corporate 1-5 Year Index (bps)	100
Average Term (yrs)	3.12
Average Convexity	0.12

Credit Rating	% of Fund
BBB or BBB-	97.8%
BB+	2.2%

HBDC Prospectus

Top 10 Holdings

Apollo Debt Solutions BDC 6.9% 4/13/29	1.57%
Apollo Debt Solutions BDC 6.7% 7/29/31	1.58%
Ares Strategic Income Fund 5.7% 3/15/28	1.48%
Blue Owl Capital Corp 5.95% 3/15/29	1.48%
Blue Owl Credit Income Corp 5.8% 3/15/30	1.47%
Blue Owl Capital Corp 3.4% 7/15/26	1.46%
Blackstone Private Credit Fd 2.625% 12/15/26	1.45%
FS KKR Corp 3.4% 1/15/26	1.43%
Blue Owl Credit Income Corp 6.6% 9/15/29	1.35%
Ares Capital Corp 2.875% 6/15/28	1.33%

Sector Allocations and Top Ten Holdings are subject to change and should not be considered a recommendation to buy or sell any security and may not add to 100% due to rounding.

AS OF SEPTEMBER 30 , 2025

Investment Objective

The Hilton BDC Corporate Bond ETF (the "Fund") seeks to track the performance, before fees and expenses, of the Solactive Hilton Capital BDC Corporate Bond TR Index (the "Index").

The Index was designed by Hilton Capital Management, LLC (the "Sub-Adviser") and is owned by Solactive AG who calculates and administers the Index (the "Index Provider"). The Index Provider is an independent third-party calculation agent that is not affiliated with the Fund, the Adviser, the Sub-Adviser, the Fund's distributor, or any of their affiliates.

Why Business Development Company (BDC) Debt

Attractive Yield Premium

BDC bonds typically trade at spreads 100–300 basis points* wider than comparable investment-grade corporate securities. This yield pickup reflects the middle-market lending focus of BDCs, allowing investors to potentially harvest enhanced income without venturing into high-yield or unrated credit universes.

Regulatory Leverage Caps and Structural Safeguards

By law, BDCs must maintain a minimum asset-to-debt ratio (150 percent asset coverage) and often voluntarily cap leverage around 1:1 debt-to-equity. These constraints act as built-in risk mitigants, ensuring that bondholders benefit from prudent balance-sheet management and reducing the likelihood of over-leveraging.

Senior Unsecured Priority

Our strategy targets senior unsecured BDC bonds, which sit ahead of equity and most subordinated debt in the capital structure. This position offers a higher claim on assets in the unlikely event of stress, generating a favorable risk-return profile compared with equity or mezzanine exposures.

Liquid Access to Private Credit Markets

Unlike direct private credit funds that impose lock-ups and gated liquidity, publicly traded BDC bonds trade daily on major venues. This delivers the return characteristics of middle-market lending with the transparency, price discovery, and redemption flexibility expected of an ETF structure.

Portfolio Diversification and Low Correlation

Historically, BDC bond returns have shown low correlation to Treasuries and standard corporates, due to unique credit drivers tied to privately negotiated loans. Allocating a modest sleeve to BDC debt can enhance overall portfolio yield and dampen sensitivity to broad credit spreads and rates.

* 1 basis point is equal to one one hundredth of a percent (.0001)

Why Hilton BDC Corporate Bond ETF

First-Mover, Rules-Based Exposure

Our passive index—rebalanced quarterly with credit and liquidity screens—provides the first institutional-grade benchmarks dedicated exclusively to BDC debt. It offers a transparent, rules-based pathway for insurers, pension funds, and endowments to access this niche.

What criteria must a BDC bond meet to be included in the index and ETF?

The Index reflects a highly deliberate approach to capturing the risk-return characteristics of BDC senior debt while controlling for the key pitfalls that can trip up a passive strategy. We would emphasize three pillars of its design:

- Focused Liquidity-Driven Universe: Limited to Fixed rate senior bonds with at least \$250 Million outstanding with readily available ICE Pricing – no floaters, convertibles, or perpetuals
- Issue must be SEC registered as a BDC
- 10% issuer cap; quarterly rebalancing
- Concentration Control Without Sacrificing Yield: 10 percent issuer cap is a smart guardrail against the common pitfall of a handful of large BDC issuers dominating a small-sector index. It forces a more balanced allocation, preserves liquidity, and mitigates idiosyncratic credit shocks – all while still letting the portfolio capture broader BDC spread opportunity.

Top Issuer Breakdown

Ares Capital Corp	9.63%
Blue Owl Credit Income Corp	8.76%
Blackstone Secured Lending Fund	8.74%
Blue Owl Capital Corp	6.96%
FS KKR Capital Corp	6.33%
Blackstone Secured Lending Fund	6.31%
Ares Strategic Income Fund	6.25%
HPS Corporate Lending Fund	4.76%
Apollo Debt Solutions	4.57%
Blue Owl Technology Finance Corp	4.23%

Fund Performance % (as of 9/30/2025)

	1 MO (%)	3 MO (%)	6 MO (%)	YTD (%)	1 YR	SINCEINCEPTION (CUMULATIVE)	SINCEINCEPTION (ANNUALIZED)
Market Price	0.59%	2.31%	NA	NA	NA	2.11%	NA
NAV	0.54%	2.13%	NA	NA	NA	1.85%	NA
SOLHBDCC*	0.59%	2.24%	NA	NA	NA	3.21%	NA

*Solactive Hilton Capital BDC Corporate Bond TR Index

The performance data quoted represents past performance and is no guarantee of 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 their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance, please call 1-833-594-4586 or visit the Fund's website at www.hiltonetfs.com. A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The market price is the most recent price at which the fund was traded.

About Hilton Capital Management, LLC

Hilton Capital Management, LLC located in Garden City, NY, serves as investment Sub-Adviser to the Hilton BDC Corporate Bond ETF (ticker:HBDC). The Sub-Adviser was founded in 2001 and provides investment advisory services to individual clients and institutions. The Sub-Adviser became registered as an investment advisor with the SEC in 2001. As of September 30, 2025, the Sub-Adviser had approximately \$3 billion in assets under management. The Sub-Adviser is responsible for monitoring the Index's composition, evaluating bond liquidity and market conditions, and overseeing the Fund's passive strategy to minimize tracking error and while seeking efficient Index replication, subject to the supervision of the Adviser and the Board. The Sub-Adviser will provide recommendations to the Adviser regarding Index tracking and rebalancing considerations.

Investment Management

Alexander D. Oxenham, CFA®, Portfolio Manager

Mr. Oxenham serves as the Sub-Adviser's Chief Investment Officer. Mr. Oxenham joined Hilton in 2011 from HSBC Private Bank in New York. At HSBC, Mr. Oxenham was a Senior Portfolio Manager and Voting Member on the HSBC Private Bank Investment Policy committee for the Americas' region from 2007-2011. Prior to HSBC, from 1998-2007, Mr. Oxenham worked in portfolio management for Mercantile Bankshares, Bankers Trust, Alex Brown/Brown Advisory and Bank of America. Mr. Oxenham holds a B.S. in International Business from the University of Maryland, College Park and an MBA from American University, and is a CFA charter holder. Mr. Oxenham is also a member of the CFA Institute and the New York Society of Security Analysts.

Michael O'Brien, CFA®, Portfolio Manager

Mr. O'Brien joined the Sub-Adviser in May 2024 as an Equity Analyst. Before joining Hilton, Mr. O'Brien was a Vice President at Wolfe Research, where he served as a sell-side equity research analyst for an All-America Research Team ranked by Institutional Investor. Within his Special Situations coverage, he focused on underfollowed and mispriced public equities that included spin-offs, restructurings, strategic alternatives, and other catalyst-driven opportunities. Earlier in his career, Mr. O'Brien was a Senior Consultant at FTI Consulting's Corporate Finance & Restructuring advisory practice, where he advised on Chapter 11 distressed transactions, mergers & integrations, and cost optimization efforts. Mr. O'Brien holds a B.A. focused on Economics and Finance from Boston College and is a CFA charter holder.

Glossary

30 Day SEC Yield: Reflects the investment income earned after deducting a fund's expenses for the period. This yield does not necessarily reflect the yield that an investor will receive. Distributions may vary from time to time. **Average Yield to Maturity (YTM):** Represents the weighted average annualized rate of return anticipated on the portfolio's underlying bonds if held to maturity, assuming all coupon and principal payments are made as scheduled and reinvested at the same rate.. **Average Modified Duration to Maturity:** Reflects the expected percentage change in the value of the portfolio in response to a 1% change in interest rates, assuming no change in credit spreads. It is a widely used metric for interest rate risk. **Average Term:** The weighted average number of years remaining until the maturity of the bonds held in the portfolio. **Option Adjusted Spread to Treasury Curve:** The portfolio's market-value-weighted options-adjusted spread (OAS) versus the U.S. Treasury curve of comparable duration/maturities. It reflects the incremental yield, in basis points, above Treasuries after adjusting for embedded options in the securities. **Yield to Worst Spread to Bloomberg U.S. Corporate 1–5 Year Index :** The difference, in basis points, between the portfolio's yield-to-worst (the lowest yield across all call/put/maturity outcomes) and the yield-to-worst of the Bloomberg U.S. Corporate 1–5 Year Index on the same date. Positive values indicate the portfolio's YTW exceeds the benchmark's YTW. **Average Convexity:** A measure of the curvature in the relationship between bond prices and interest rates, providing insight into how duration changes as interest rates fluctuate. Higher convexity indicates greater responsiveness to changes in interest rates. **Credit quality ratings** of the underlying securities of the fund are derived from ratings provided by Moody's, S&P, and Fitch. If a security has a rating from each of the three agencies, the median rating is used. If a security has two ratings, the lower rating is used. If a security only has one rating, that rating is used. If a security is not rated by Moody's, S&P, and Fitch, it will show as "Not Rated", though the security may be rated by a different nationally recognized statistical rating organization (NRSRO).

Before investing you should carefully consider the Fund's investment objective, risk, charges and expenses. This and other information is in the prospectus. A prospectus or summary prospectus may be obtained by visiting www.hiltonetfs.com or calling 1-833-594-4586. Please read the prospectus carefully before you invest.

Investing involves Risk, including possible loss of principal. The Fund is a recently organized management investment company with no operating history. As a result, prospective investors do not have a track record or history on which to base their investment decisions. There is no guarantee that the Fund's investment strategy will be successful.

Investors buy and sell ETF shares through a brokerage account or an investment advisor. Like ordinary stocks, brokerage commissions, and/or transaction costs or service fees may apply. Please consult your broker or financial advisor for their fee schedule.

Credit Risk: Debt securities held by the Fund are subject to the risk that an issuer or related party (such as a guarantor or counterparty) may fail to meet its financial obligations. These failures can negatively impact the value of the investment and the Fund's ability to receive expected income or principal repayments. **Fixed Income & Interest Rate Risk:** Fixed income respond to economic developments particularly interest rate changes , as well as to changes in an issuer's credit rating. Fixed Income investments typically decline in value when interest rates rise and increase in value when rates fall. Longer-duration and lower-rated securities are generally more sensitive to these changes. Interest rate movements, including those driven by central bank policy, may also impact the Fund's income. **Liquidity Risk:** Some of the Fund's holdings may be thinly traded or illiquid, which can make it difficult to sell these investments quickly or at a desirable price. This may result in the Fund selling other holdings at an inopportune time to meet liquidity needs. **Index and Tracking Error Risk:** As a passive fund, the Fund seeks to replicate the performance of its index. However, differences may arise due to fund expenses, trading activity, or index changes. The Fund may also hold securities not in the index or may not always be fully invested in index components. **Non-Diversification Risk:** The Fund may invest a greater proportion of its assets in fewer issuers. As a result, a decline in the value of a single issuer or a small number of issuers could have a larger impact on the Fund's overall performance than a more diversified fund.

Distributor: Foreside Fund Services, LLC