DRACO EVOLUTION

DRAI

THE DRACO EVOLUTION AI ETF

INVESTMENT CASE

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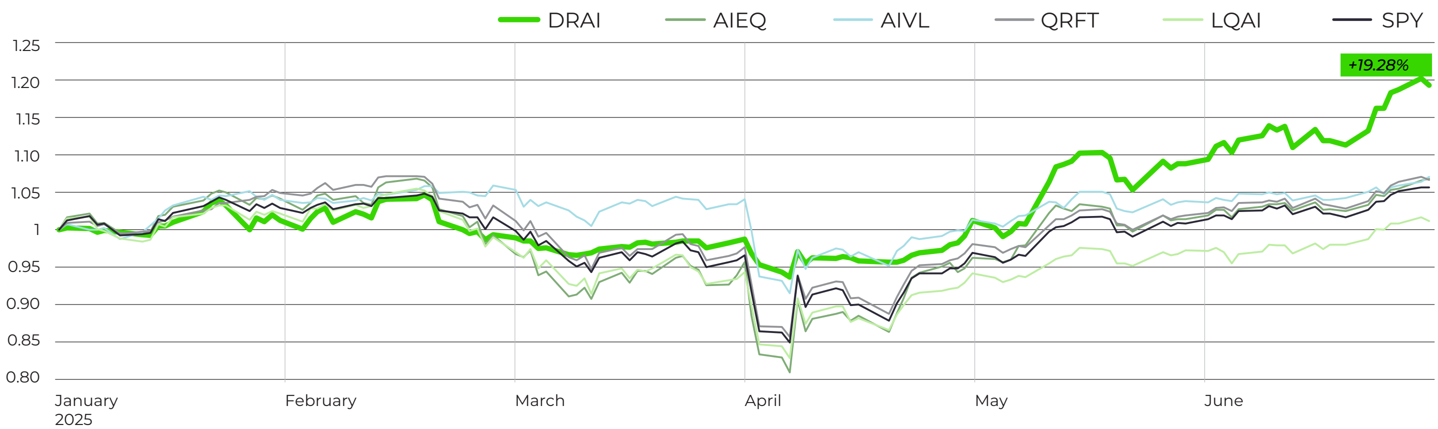
OUR APPROACH

The Draco Evolution AI ETF (the "Fund") seeks to harness the combined power of proprietary AI and a quantitative model to create an all-weather portfolio that can respond quickly to market cycles, capturing upside potential while mitigating downside risk.

Draco employs a three-layer approach that leverages vast amounts of market data to make informed asset allocation decisions. On a YTD basis, the Fund has delivered an 8.23% return, out-pacing the S&P 500 over the same period by over five percentage points.

Performance Comparison



Source: Fidelity, as of 6/30/2025

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Performance current to the most recent month-end can be obtained by calling +1-949-535-4675.

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.

The Fund has also outperformed a host of competing AI-powered ETFs from January 1st through May 31st. Over this period, the Fund delivered a return of 9.26% while the WisdomTree US AI Enhanced Value ETF (AIVL) only returned 3.87%.

The Fund also outperformed ETFs like Amplify's AI Powered Equity ETF (AIEQ), Qraft's AI-Enhanced U.S. Large Cap ETF (QRFT), and Qraft's AI-Powered U.S. Large Cap Core ETF (LQAI) by anywhere from 7.35% to 12.25%.

The Fund's actively managed feature limited downside risk and volatility in early April after the tariff announcement. Following the policy change, the S&P 500 declined by over 12% between April 2 and April 8. Over the same period, the Fund fell only 5.04%.

The Fund holds a range of assets including, but not limited to, U.S. equities, gold, fixed-income securities, mortgage-backed securities, asset-backed securities, and foreign securities and currencies. The proprietary AI-driven model, known as the "Draco Model," dictates selections across this spectrum of asset classes.

TOP 10 HOLDINGS

as of 6/30/25

Company	Ticker	%
ProShares UltraPro QQQ	TQQQ	25.62%
Direxion Daily S&P 500 Bull 3X	SPXL	23.03%
iShares iBoxx $ High Yield Corporate Bond ETF	HYG	14.23%
iShares 7-10 Year Treasury Bond ETF	IEF	13.99%
Vanguard Total Bond Market ETF	BND	13.99%
Direxion Daily Semiconductors Bull 3x Shares	SOXL	3.78%
Direxion Daily Small Cap Bull 3X Shares	TNA	2.48%
ProShares UltraPro Dow30	UDOW	2.37%
Cash & Other	Cash & Other	0.51%

Holdings are subject to change.

A THREE-PART INVESTMENT STRATEGY

Layer 1: The AI Model

First, the Fund makes decisions using our AI model. The engine of this process is machine learning, which refers to computer programming that learns from past data to improve performance over time without being explicitly programmed for every task.

In this first step, the model predicts if the next six months will be bullish or bearish for markets. The model uses two years of high-frequency pricing data on the selected market securities to make this prediction. This pricing data includes information such as moving averages, closing prices, the degree of price movements, and the difference between an asset's closing price on one day and its opening price on the next.

In a bullish environment, the strategy concentrates into levered equity positions. It will also take positions in treasuries, corporates, and high-yield bonds with mid-range duration. In a bearish environment, the strategy concentrates into gold, long-duration treasuries, short FX, and cash positions.

This step is responsible for determining about 70% of the asset selections and allocation weights.

Layer 2: The AI Macro Economic Model

Second, Draco's quantitative model assesses the strength of the macro prediction, resulting in either a more aggressive or more conservative asset allocation. This model utilizes macroeconomic data spanning over 15 years to decipher the long-term economic environment and refine the weights from the AI model.

When the model predicts a macro bearish market, the Fund will typically invest in ETFs that provide exposure to U.S. treasury bonds, gold, and the U.S. dollar and, to a lesser extent, one or more inverse and/or leveraged ETFs that seek to replicate or provide the inverse (or multiple) of the daily performance of an index, an industry, a sector, or asset class.

During periods of bullish market conditions, the Fund typically invests in ETFs that provide exposure to U.S. equities, high-yield bonds, investment-grade bonds, U.S. Treasuries, and, to a lesser extent, leveraged ETFs. The exposure to each of the noted asset classes will vary based on the strength of the AI model's signal regarding future market conditions.

The quantitative model analyzes macroeconomic data, which includes, among other items, average weekly hours worked, applications for unemployment insurance, new orders for consumer goods and materials, new orders for capital goods, new building permits, spread between long and short interest rates, inflation-adjusted money supply and average consumer expectations for business conditions.

Layer 3: The Volatility Overlay

Third, the Fund utilizes market volatility metrics from the preceding 1- and 5-month periods. When this data indicates a bearish market condition, the Fund applies a volatility layer.

The model considers the market volatile when volatility observed over the most recent month surpasses volatility observed over the preceding 5 months. In these cases, the Fund systematically reallocates a portion of the portfolio to a levered short equity position.

THE POWER OF MACHINE LEARNING

Market conditions are dynamic today. To succeed, investors need a way to make sense of the conflicting signals and respond accordingly. The Draco Evolution AI ETF makes this possible.

With the power of machine learning, the Fund can capture vast data sets and then distill meaningful insights from the numbers. Draco is committed to adapting to evolving market conditions by regularly updating and refining AI and quantitative models to incorporate new data.

3 REASONS TO INVEST

01 AI TRAINED ON 2 YEARS OF PRICING DATA

Draco trains the AI model using two years of daily pricing and volume data covering a variety of asset classes. Based on this data, the AI model determines whether the environment is currently bullish or bearish.

02 QUANTITATIVE MACRO POWERED BY 15 YEARS OF DATA

This model relies on monthly macroeconomic data dating back over 15 years and attempts to read the long-term economic environment and responds by adjusting the AI model weightings.

03 A CONTINUOUS RESPONSE TO VOLATILITY

When the AI model indicates bearish market conditions, the Fund applies a volatility layer on top of the quantitative macro model. During periods of volatility, the Fund systematically reallocates to a levered short equity position.

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a Prospectus or Summary Prospectus with this and other information about the Fund, please call +1-949-535-4675 or visit our website at draietf.com. Read the prospectus or summary prospectus carefully before investing.

Investments involve risk. Principal loss is possible. Redemptions are limited and often commissions are charged on each trade. Unlike mutual funds, ETFs may trade at a premium or discount to their net asset value.

Bond Risk. The Fund is subject to the same risks as the underlying bonds in the portfolio such as credit, prepayment, call and interest rate risk. As interest rates rise the value of bond prices will decline.

Foreign and International Risk. The Fund invests in foreign and emerging market securities which involves certain risks such as currency volatility, political and social instability and reduced market liquidity.

High Yield Bond Risk. High-yield bonds have a higher risk of default or other adverse credit events but have the potential to pay higher earnings over investment grade bonds. The higher risk of default, or the inability of the creditor to repay its debt, is the primary reason for the higher interest rates on high-yield bonds. Examples of other adverse credit events are interest rate risk (when interest rates rise, bond prices fall) and economic risk (the risk associated with downturns in the economy).

Currency Risk. Currency Risk is the risk that the values of foreign investments may be affected by changes in the currency rates or exchange control regulations.

Mortgage-Related and Other Asset-Backed Securities Risk. Investments in mortgage-related and other asset-backed securities are subject to certain additional risks, including extension risk and prepayment risk. The value of these securities may be particularly sensitive to changes in interest rates. Some mortgage-backed securities are to be announced (TBA) securities, which have additional risks.

ETF Risk. The Fund invests in ETFs (Exchange-Traded Funds) and is therefore subject to the same risks as the underlying securities in which the ETF invests as well as entails higher expenses than if invested into the underlying ETF directly.

Non-Diversification Risk. The Fund is non-diversified which means it may be invested in a limited number of issuers and susceptible to any economic, political and regulatory events than a more diversified fund.

Gold Investment Risk. The Fund may have exposure to gold through its investments in other ETFs, so the Fund's portfolio may be adversely affected by changes or trends in the price of gold. The price of gold and gold related instruments historically has been volatile.

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