

CAMBRIA LARGE CAP SHAREHOLDER YIELD ETF

CAMBRIA

LYLD

Cambria Large Cap Shareholder Yield ETF

Why a Shareholder Yield Strategy?

Focuses on Companies Returning Cash to Shareholders

A shareholder yield investment strategy focuses on three attributes that return value to shareholders - dividends, buybacks, and debt reduction. All three methods are ways a company can distribute cash.

Growth Characteristics

Comparing stocks with positive shareholder yields versus stocks with the highest dividend yields may provide more attractive growth characteristics and stronger, more resilient balance sheets.

Buybacks Don't Trigger Taxable Events

Unlike dividends which may trigger a taxable event to shareholders, corporate share buybacks are camouflaged in the company's market price. This makes buybacks an effective way to return profits to shareholders rather than the obvious dividend payment.

What is Shareholder Yield:

Shareholder yield refers to how much money shareholders receive from a company in the form of cash dividends, net share repurchases (buybacks), and net debt reduction.



**CASH
DIVIDENDS**



**NET SHARE
REPURCHASES**



**NET DEBT
REDUCTION**

How is Shareholder Yield Calculated:

$$\text{Shareholder Yield} = \frac{\text{Cash Dividends} + \text{Net Share Repurchases} + \text{Net Debt Reduction}}{\text{Market Capitalization}}$$

Determining Shareholder Yield

(hypothetical company example):

Cash Dividends Paid \$1,000,000	Share Repurchases \$150,000 Share Issuances \$30,000	Net Debt Reduction \$1,000,000	Shares Outstanding 1,000,000 Price Per Share \$30
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Based on this information:

$$\text{Shareholder Yield} = \frac{\$1,000,000 + (\$150,000 - \$30,000) + \$1,000,000}{1,000,000 \times \$30} = 7.07\%$$

Why LYLD?

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Dividend Yield	2.8%
Net Payout Yield	7.6%
Shareholder Yield	10.3%

S&P 500 Index

Dividend Yield	1.4%
Net Payout Yield	1.8%
Shareholder Yield	0.3%

SOURCE: Bloomberg, Morningstar, Cambria as of 7/12/24. At the portfolio level, Net Payout Yield and Shareholder Yield are calculated based on a 12 month look back for each holding in the portfolio as of the previous quarter end.

Shareholder Yield on Top 10 Company Holdings: LYLD vs Benchmark

LYLD Top 10 Company Holdings	Weight	Dividend Yield	Net Payout Yield	Shareholder Yield	S&P 500 Index Top 10 Company Holdings	Weight	Dividend Yield	Net Payout Yield	Shareholder Yield
Halliburton Co	2.0%	2.0%	3.8%	4.8%	Microsoft Corp	7.2%	0.7%	0.7%	-0.1%
Conagra Brands Inc	2.0%	4.9%	4.7%	10.5%	NVIDIA Corp	5.9%	0.0%	0.4%	0.5%
Marathon Oil Corp	2.0%	1.5%	10.2%	13.7%	Apple Inc	5.0%	0.5%	3.0%	3.1%
HF Sinclair Corp	2.0%	3.6%	3.6%	7.9%	Amazon.com Inc	3.9%	0.0%	-1.4%	-1.4%
Metlife Inc	2.0%	3.0%	10.1%	7.6%	Meta Platforms Inc Class A	2.6%	0.2%	1.1%	1.1%
Interpublic Group Of Cos Inc	2.0%	4.4%	6.6%	7.9%	Alphabet Inc Class A	2.1%	0.1%	1.2%	1.3%
Truist Financial Corp	2.0%	5.4%	4.9%	12.4%	Alphabet Inc Class C	1.8%	0.1%	4.5%	4.5%
Keycorp	2.0%	5.8%	5.0%	57.4%	Berkshire Hathaway Inc Class B	1.7%	0.0%	-1.2%	-0.9%
Archer-Daniels-Midland Co	2.0%	3.1%	12.4%	7.5%	Eli Lilly and Co	1.4%	0.5%	0.4%	-0.4%
AT&T Inc	2.0%	5.8%	5.5%	16.5%	Broadcom Inc	1.4%	1.3%	-11.5%	-16.2%
MEDIAN		4.0%	5.2%	9.2%	MEDIAN		0.2%	0.6%	0.2%

SOURCE: Bloomberg, Morningstar, Cambria. 7/12/24.

Why LYLD?

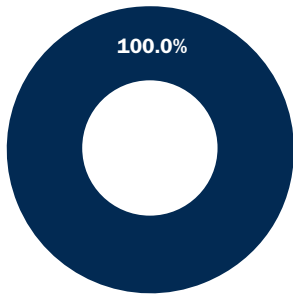
Differentiated Sector Allocation vs S&P 500 Index

Sectors	LYLD	S&P 500 Index	Difference
Financials	28.0%	12.4%	15.6%
Energy	22.0%	3.6%	18.4%
Consumer Discret.	12.0%	10.0%	2.0%
Materials	10.0%	2.2%	7.8%
Consumer Staples	10.0%	5.8%	4.2%
Comm. Services	8.0%	9.3%	-1.3%
Health Care	6.0%	11.7%	-5.7%
Technology	4.0%	32.4%	-28.4%
Industrials	0.0%	8.1%	-8.1%
Utilities	0.0%	2.3%	-2.3%
Real Estate	0.0%	2.2%	-2.2%

SOURCE: Bloomberg, S&P Global, Cambria 7/12/24.

Market Cap Breakdown

As of 7/12/24

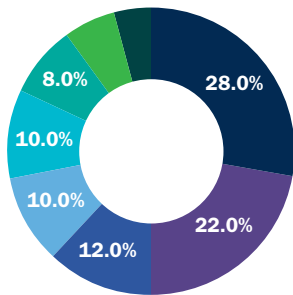


Asset Allocation	As of 7/12/24
Large Cap > \$10B	100.0%
Mid Cap \$10B to \$2B	0.0%
Small Cap < \$2B	0.0%

SOURCE: Bloomberg, Cambria 7/12/24.

LYLD Sector Weight Changes

As of 7/12/24



Sector Weights 7/12/24	
Financials	28.0%
Energy	22.0%
Consumer Discret.	12.0%
Materials	10.0%
Consumer Staples	10.0%
Comm. Services	8.0%
Health Care	6.0%
Technology	4.0%

SOURCE: Bloomberg, Cambria 7/12/24.

LYLD Investment Methodology

Universe

Cambria begins with a broad universe of US stocks selecting those that pass certain liquidity and price requirements.

Divdends & Buybacks

Cambria selects the stocks in the top 20% of the universe by yield across dividends and buybacks.

Valuation, Quality & Leverage

Cambria then uses a valuation ensemble across a number of factors – such as price to cash flow, price to book and enterprise value to EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) - to screen for stocks trading below intrinsic value. As part of this step, Cambria also excludes other outlier stocks based on quality and leverage metrics.

Shareholder Yield

Cambria further shrinks the universe to isolate the top shareholder yield stocks – companies registering the highest in cash dividend payments, share repurchases, and debt retirement.

Momentum and Trend

Cambria does a final sort based on momentum and trend indicators to position the portfolio in the strongest-performing shareholder yield stocks.

Final Construction

The portfolio is then tuned to ensure no overconcentration in any one industry sector, and that the portfolio targets equal weighting across approximately 100 stocks.

Quarterly Rebalancing

The portfolio is rebalanced quarterly.

To learn more about how to incorporate LYLD into your portfolio, contact your financial advisor or visit www.cambriafunds.com

This material must be preceded or accompanied by the fund prospectus.

To view the prospectus electronically, please follow the link to the statutory prospectus [here](#).

To determine if the Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. Read the prospectus carefully before investing or sending money.

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ETFs are subject to commission costs each time a "buy" or "sell" is executed. Depending on the amount of trading activity, the low costs of ETFs may be outweighed by commissions and related trading costs. Shares are bought and sold at market price (closing price) not net asset value (NAV) are not individually redeemed from the Fund. Market price returns are based on the midpoint of the bid/ask spread at 4:00 pm Eastern Time (when NAV is normally determined), and do not represent the return you would receive if you traded at other times. Buying and selling shares will result in brokerage commissions. Brokerage commissions will reduce returns.

LYLD: There is no guarantee that a Fund will achieve its investment goal. Investing involves risk, including the possible loss of principal. High yielding stocks are often speculative, high-risk investments. The underlying holdings of the Funds may be leveraged, which will expose the holding to higher volatility and may accelerate the impact of any losses. These companies can be paying out more than they can support and may reduce their dividends or stop paying dividends at any time, which could have a material adverse effect on the stock price of these companies and the Fund's performance. Narrowly focused funds typically exhibit higher volatility.

LYLD is actively managed.

S&P 500 Index: An index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

Dividends: The distribution of reward from a portion of the company's earnings and is paid to a class of its shareholders. Dividends can be issued as cash payments or as shares of stock, though cash dividends are the most common.

Dividend Yield: Generally, the total interest and dividend payments over a specific time period divided by the most recent period's ending share price.

Buybacks: Also known as share repurchase. When a company buys its own outstanding shares to reduce the number of shares available on the open market, thus increasing the proportion of shares owned by investors. Companies buy back shares for a number of reasons, such as to increase the value of remaining shares available by reducing the supply or to prevent other shareholders from taking a controlling stake.

Buyback Yield: Generally, the dollar value of net buybacks over a specific time period divided by the company's total market capitalization.

Net Debt Paydown: When a company repays in debt exceeds the amount it currently borrows.

Long Position: A position in a security in which one buys and owns the security.

Net Payout Yield is the sum of TTM Dividend Yield plus Net Share Repurchase Yield. **Shareholder Yield** is the sum of TTM Dividend Yield plus Net Share Repurchase Yield plus Debt Paydown Yield.

Net Share Repurchase Yield is defined as the change in total shares outstanding over the past year.

Debt Paydown Yield is defined as the change in total debt over the past year divided by market cap.

At the portfolio level, Net Payout Yield and Shareholder Yield are calculated based on a 12 month look back for each holding.

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