

# EMPB

Seeks to Deliver Consistent Alpha  
Through a Risk Conscious Strategy

**EFFICIENT MARKET PORTFOLIO PLUS** is an actively managed, long/short ETF listed on the **NYSE** (ticker: **EMPB**) that was developed by **Anova Management, Inc.** for **NextGen EMP, Inc.**



# Some investors need and many want STOCK MARKET RETURNS WITH LESS RISK!

- In 2025 the markets fell ~21% between February and April, EMPB fell less than 8%
- Both bottomed out in **34 days**
- EMPB achieved new highs in **24 days**, the S&P took 56 days
- EMPB's strategy protected AUM during market weakness and recovered faster

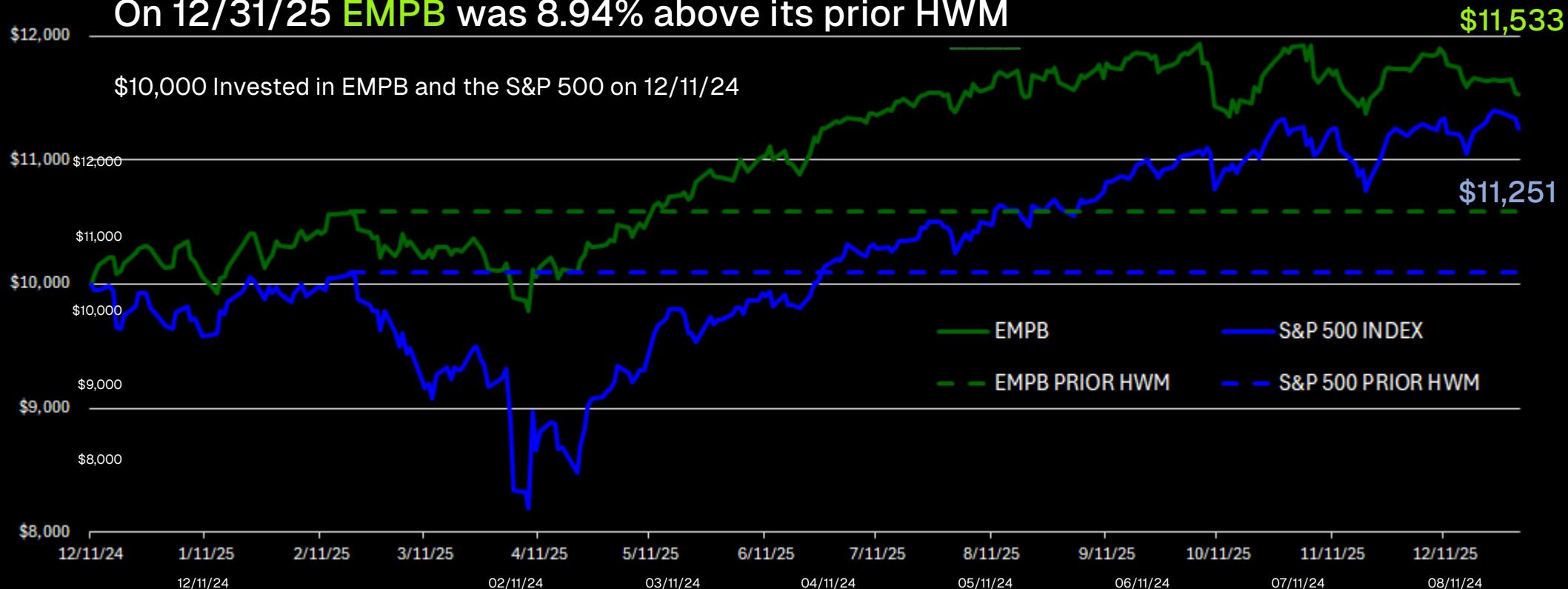
## FUND PERFORMANCE (12/31/2025)

	Annualized						Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate so shares may be worth more or less when redeemed or sold. Current performance may be lower or higher than that quoted.
	<u>3M</u>	<u>YTD</u>	<u>Since Inception (2024/12/11)</u>	<u>1Y</u>	<u>3Y</u>	<u>5Y</u>	
<b>MKT</b>	-1.40%	14.84%	14.61%	14.84%	-	-	<b>Market Price Return</b> is calculated using the price that investors buy and sell ETF shares in the market. The market returns in the table are based on the midpoint of the bid/ask spread at 4 p.m. EST and do not represent the returns you would receive if you traded shares at other times.
<b>NAV</b>	-1.18%	14.97%	14.61%	14.97%	-	-	<b>NAV Return</b> represents the closing price of underlying securities.
<b>S&amp;P 500</b>	2.66%	17.88%	13.26%	17.88%	-	-	For most recent month end performance visit <a href="https://nextgenemp.com/">https://nextgenemp.com/</a>

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On 12/31/25 **EMPB** was 8.94% above its prior HWM

\$10,000 Invested in EMPB and the S&P 500 on 12/11/24

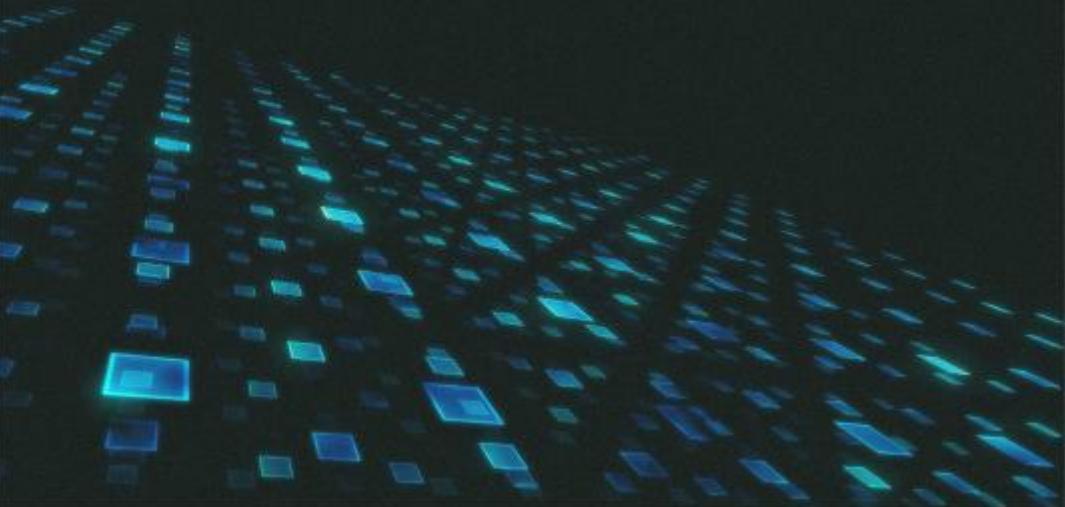


- EMPB is an ETF that holds both long and short positions. It was launched at \$25 per share on December 11, 2024.

- By December 31, 2025, EMPB had rallied to \$28.83 AND paid \$0.34 in dividends—delivering a gain of 16.63% in ~12 months.

Designed to be resilient during market downturns, EMPB has demonstrated its ability to generate excess ALPHA over time.

GROWTH OF \$10,000 INVESTMENT ILLUSTRATION IS BASED ON A HYPOTHETICAL \$10,000 INVESTMENT CALCULATED AT NET ASSET VALUE (NAV). IF CALCULATED AT MARKET PRICE, RETURNS WOULD BE LOWER. ALL RESULTS SHOWN ASSUME REINVESTMENT OF DIVIDENDS AND CAPITAL GAINS. THE S&P 500 INDEX IS AN UNMANAGED INDEX OF LARGE CAPITALIZATION COMMON STOCKS. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. PLEASE REFER TO THE QUARTER-END PERFORMANCE SLIDE FOR STANDARDIZED PERFORMANCE FIGURES. INVESTORS CANNOT DIRECTLY INVEST IN AN INDEX AND UNMANAGED INDEX RETURNS DO NOT REFLECT ANY FEES, EXPENSES OR SALES



**EMPB was developed with the goal to consistently deliver alpha through a risk conscious strategy that statistically anticipates the market's underperformers.**

**NextGen EMP is a firm deeply committed to rigorous research. We strive to understand what drives asset prices more thoroughly and sooner than our competitors.**

Investing is how we monetize our insights. Our goal is to reduce investment risk without sacrificing returns. What we have achieved has surpassed even our own expectations.

We've developed a repeatable investment process designed to perform reliably under all market conditions.

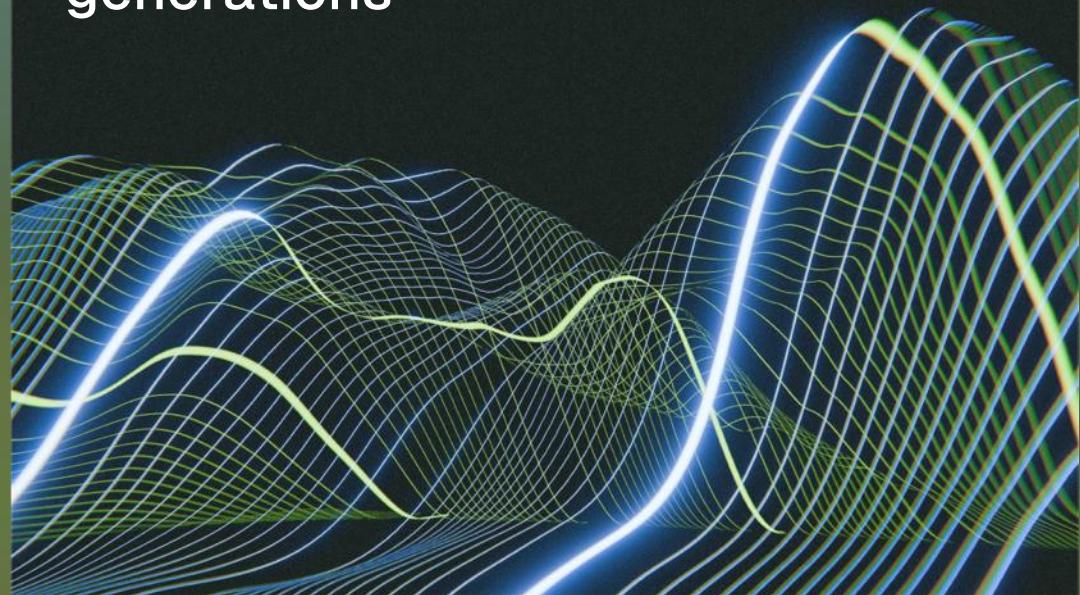
THE FUND IS NEW AND HAS A LIMITED OPERATING HISTORY TO EVALUATE. THERE IS NO GUARANTEE THAT INVESTMENT OBJECTIVES WILL BE ACHIEVED, OR THAT RETURN EXPECTATIONS WILL BE MET.

**EMPB** is an industry sector allocation ETF that uses 50% shorts to manage volatility

- Holding hundreds of stocks
- Seeks to manage drawdowns w/o compromising returns
- Daily transparency and liquidity
- Adjusted expense ratio of 0.32%\*\*
- Gross expense ratio 1.82%

**EMPB**

provides an elegant update to a proven investment strategy used by advisors for generations



\* THERE ARE NO ASSURANCES THAT THE FUND WILL ACHIEVE COMPARABLE RESULTS, THAT TARGETED RETURNS WILL BE MET OR THAT THE FUND WILL BE ABLE TO SUCCESSFULLY IMPLEMENT ITS STRATEGY OR ACHIEVE ITS INVESTMENT OBJECTIVES. \*\*REFLECTS THE EXPENSE RATIO NET OF INTEREST EARNED ON CASH HELD FROM SHORT SALES. THE AMOUNT VARIES WITH THE OVERNIGHT INTEREST RATE; CURRENT CALCULATIONS REFLECT A 3.0% RATE.

# Taking a fresh look...

In his book, *Winning the Loser's Game*, Charles Ellis points out that \$1 investment in the S&P 500 that missed the 90 best trading days in a recent 10-year period would have lost money (\$0.22), would have made \$0.30 if it missed the best 60 days, but would have made \$5.59 by staying fully invested."

He went on to add that ...

**"Sidestepping the worst 90 days would have resulted in a 10-year gain of **\$42.78**."**

Charles Ellis emphasizes the importance of avoiding losses. He has been one of the most influential investment writers for decades. Mr. Ellis chaired Yale's investment committee for 16 years. During that time, every \$1 in Yale's endowment grew to \$7.67, a 13.6% compounded rate of return.

FOR INFORMATIONAL PURPOSES ONLY. NOT MEANT TO REPRESENT THE FUND. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

# Mr. Ellis has identified where the low hanging fruit is, but we see the opportunity differently!

While no one can foresee exactly which days will be weak, our proprietary algorithm seeks to identify, with statistical confidence, the market segments most likely to underperform.

By sidestepping these sectors, we aim not only to reduce losses but also to position the portfolio to potentially rebound faster and from a higher starting point, compounding long-term results.

## “Winning the Loser’s Game”

10-Year Sample;

**-2.5% RETURN**

MISS THE BEST 90 DAYS

**20.7% RETURN**

BUY & HOLD FOR 10 YEARS

**45.9% RETURN**

BY AVOIDING THE WORST 90 DAYS



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# Start with good data:

Paraphrasing Jim Simons, founder of the Renaissance Fund: 'People often assume each piece of data carries equal weight. It doesn't. The extra information you can extract is small - if it were large everyone would notice - but it's there and can be exploited.'

An algorithm's output is only as effective as the quality of the underlying data. We apply a rigorous process to organize and weigh market data to reduce noise.

We believe our algorithm excels at analyzing market data across multiple timeframes using a diverse set of proprietary analytical tools.

# The ETF selection process:

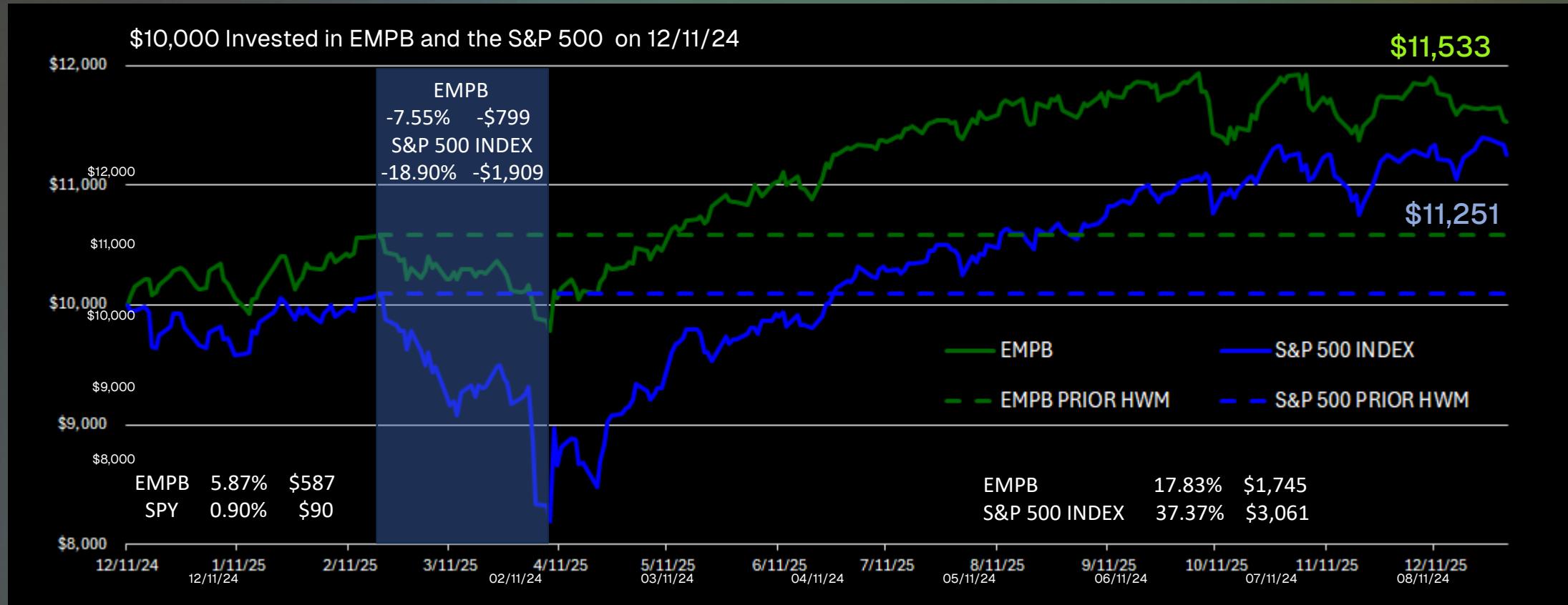
- 01 The algorithm evaluates each ETFs return performance compared to the S&P 500 for the previous 24 months
- 02 We test whether that performance is predictable and reliable. If it is...
- 03 The algorithm highlights when an ETF is expected to match or outperform the S&P 500.
- 04 We confirm that with the algorithm's guidance that the ETFs correlation may lift returns and/or reduce risk.
- 05 Before inclusion, we verify that adding the ETF potentially enhances the overall portfolio's return and/or risk profile.
- 06 Finally, we validate the results in an effort to ensure they are not the result of curve fitting.

**EMPB** algorithms seek to identify market strength or “Upward Bias.” When it is not observed, we avoid ownership and use these ETFs to manage risk.

# How **EMPB**'s Portfolio is Managed:

- At month-end the algorithm makes an analytical assessment of each ETF to determine its likelihood to match or outperform the market average.
- Rebalancing allocates long AUM only to those ETFs expected to outperform.
- Short AUM, on a 50% ratio, is allocated to ETFs expected to under-perform.

We believe beta testing with over-riding the algorithm's instructions based on market driven portfolio adjustments has proven to be worthless or worse.

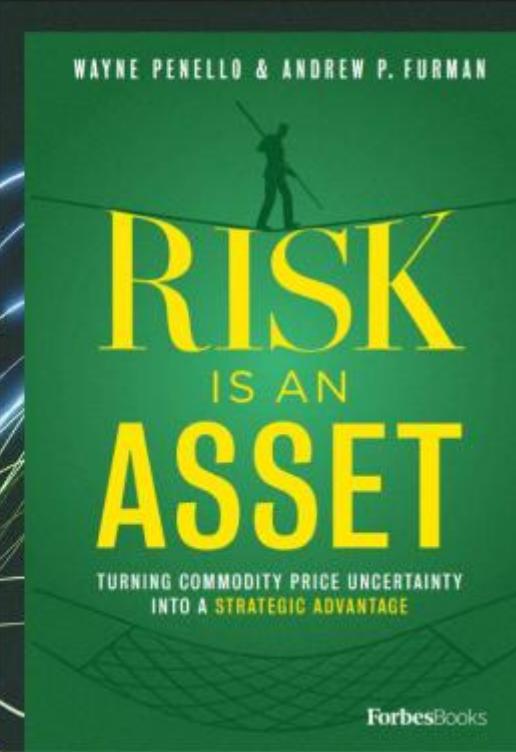
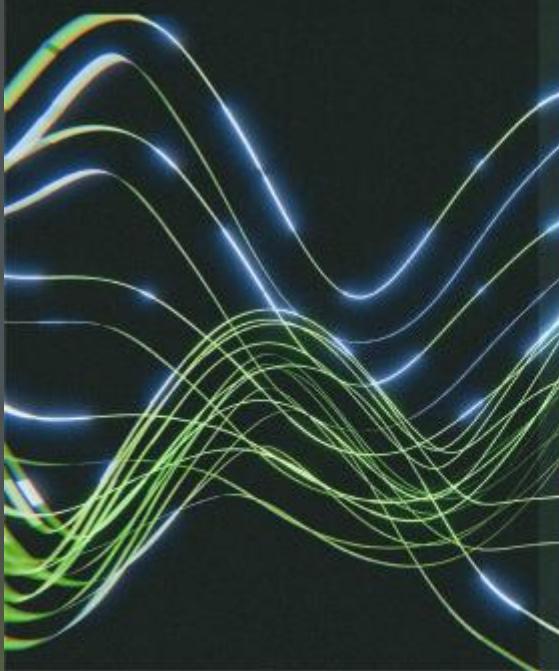


With a 50% hedge, EMPB has suffered  
41.9% of the losses as measured in dollars.

Through 12/31/25 and with a 50% hedge,  
EMPB delivered a total return of 16.63% in  
~12 months.

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**EMPB is built on  
experience and expertise**



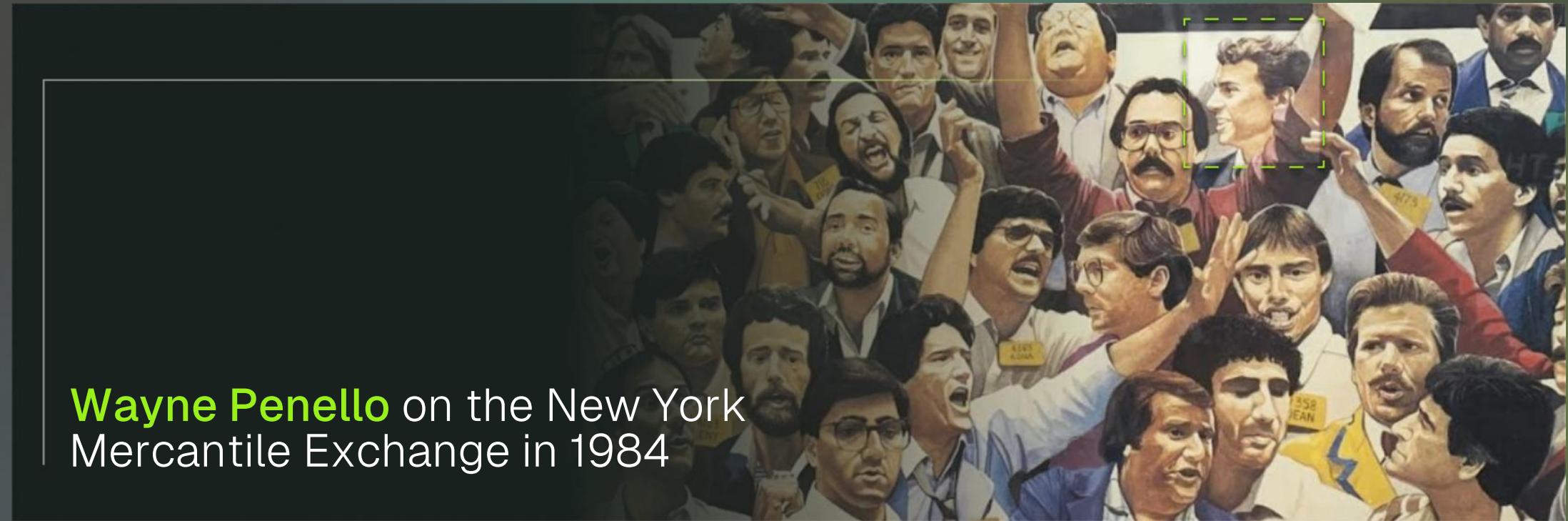
Our team's focus on investment process has generated trading profits and risk management success for decades.

We patented the **Performance Risk Management System** and co-authored the ForbesBooks publication ***Risk is an Asset***, consistently delivering innovation, discipline, and results to clients and investors.

‘Clients using the performance risk management system (us patent 7,822,670 b2) received net payments exceeding \$10 billion for their hedging activities’ (Risk is an Asset, page 3)

“Risk is an asset” is used as instructional material in the trading, risk and investment program (trip) at Texas A&M

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## Wayne Penello on the New York Mercantile Exchange in 1984

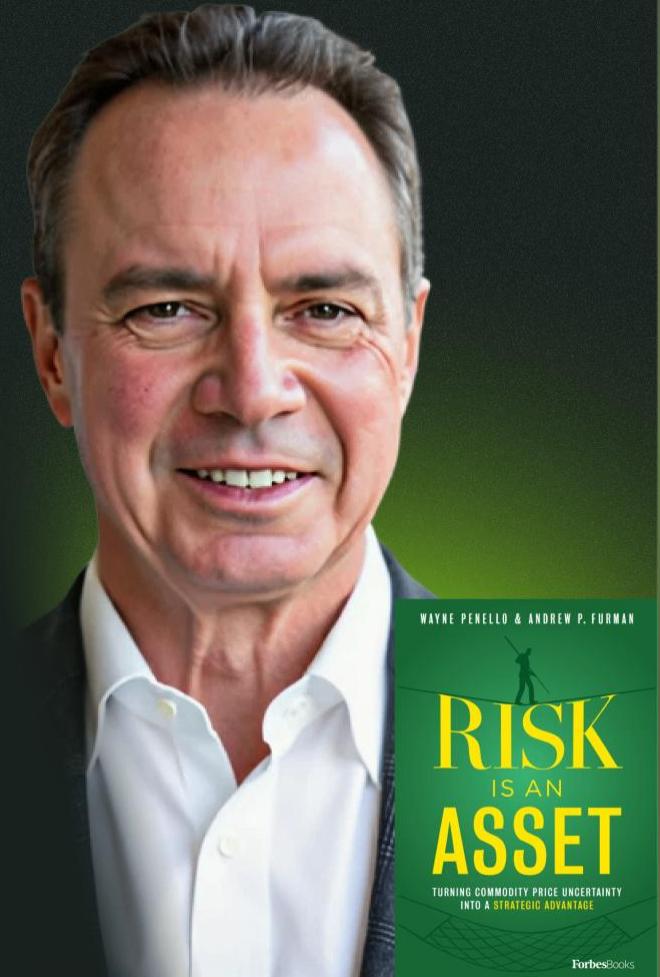
Management at ANOVA and NextGen EMP is comprised of three former NYMEX traders who have partnered together to provide all investors with access to an institutional quality investment program.

ANOVA has been a state registered Investment advisor in Texas and New York since January 2022, and Florida since July 2023. NextGen EMP registered with the SEC in December 2024.

# Wayne Penello

- Inventor of **EMPB**
- Coauthor of “Risk is an Asset,” published by ForbesBooks
- Patented the “Performance Risk Management System” US #7,822,670 B2
- Founder of Risked Revenue Energy Associates (R^2), a consultancy that helped businesses use the Performance Risk Management System to generate more than \$13 billion in net gains
- NYMEX floor trader 1980 – 1990
- 40+ years of professional trading and asset management experience

My patented risk analytics continue to give corporations the edge they need to help build successful hedge programs. I created EMPB with the goal to reduce risk and enhance returns for the small equity investor.



# Bob Coakley

- Former NYMEX Board Member, member of the NYMEX Executive Committee and floor trader (1986 – 2007)
- Founded and held leadership positions at four successful firms (1985 – 2023)
- 35+ years of trading and asset management experience.



Backed by 40 years of proven success in managing commodity price risk, Wayne has translated that expertise into an equity strategy that few can replicate—one designed to consistently capture opportunity, protect capital, and deliver exceptional risk-adjusted return potential.

# John DiPlacido

- Founder and President of Energex Ltd. From 1989 – 2009, NYMEX floor, and OTC brokerage firm that represented several of the world's largest traders.
- Interviewed for his investment insight and strategies by CNBC Asia, Fox Business News, and Bloomberg.
- 40+ years of trading and asset management experience.



**You can Believe in our strategy. It's a disciplined, data-driven process seeking to consistently deliver alpha while managing and reducing risk.**

# Next Steps

- **Further inquiries**

Is there anything we haven't addressed to your satisfaction? Please let us know what additional information or clarifications you require.

- **Pilot Program**

There's no substitute for real-world data. Can we agree to start with a small but meaningful investment to demonstrate our strategy's effectiveness?

- **Your account**

If helpful, contact or have your advisor contact us to discuss execution and portfolio management strategies.

- **Final commitment**

We are confident EMPB can add significant value to your portfolio. Let's take the next step together and begin this partnership on a path toward strong, risk-managed growth potential.

01	02	03	04	05	06
Seeks to outperform other long/short funds and the S&P 500	No lockup period	Daily transparency	No individual name risk	An adjusted expense ratio of 0.32%	Tax efficient

# For more information on how to invest contact:

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**Long/short ETF:** an exchange-traded fund that aims to make money in both rising and falling markets by combining long positions and short positions. A long position is when a fund buys securities it believes will appreciate. A short position is when a fund sells borrowed securities it believes will decline in value, with the intention of buying them back later at a lower price.

**Alpha:** A measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark is a fund's alpha.

**S&P 500® Index:** is an unmanaged index of 500 common stocks primarily traded on the New York Stock Exchange, weighted by market capitalization. Index performance includes the reinvestment of dividends and capital gains.

**ROR:** Rate of Return measures the gain or loss on an investment over a specific period, expressed as a percentage of the investment's initial value.

**High Water Mark (HWM):** The highest value an asset, fund, or portfolio has ever reached up to a given point in time, typically measured using price or net asset value (NAV).

**Drawdown:** The peak-to-trough decline during a specific record period of an investment, fund or commodity. A drawdown is usually quoted as the percentage between the peak and the trough. Drawdowns help determine an investment's financial risk.

**Curve fitting:** The process of selecting and estimating a mathematical function that best approximates observed financial data, such as prices, yields, returns, or risk measures, by minimizing the difference between the model and the actual data.

**Beta:** It measures the sensitivity of an investment to the movement of its benchmark. A beta higher than 1.0 indicates the investment has been more volatile than the benchmark and a beta of less than 1.0 indicates that the investment has been less volatile than the benchmark.

**The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. This and other important information is contained in the prospectus, which may be obtained by visiting [nextgenemp.com](http://nextgenemp.com) or by calling +1.713.459.5254. Please read the prospectus carefully before investing.**

**Investments involve risk. Principal loss is possible.**

The Fund is actively-managed and is subject to the risk that the strategy may not produce the intended results. The Fund is new and has a limited operating history to evaluate.

**Equity Investing Risk.** An investment in the Fund involves risks similar to those of investing in any fund holding equity securities, such as market fluctuations, changes in interest rates and perceived trends in stock prices. The values of equity securities could decline generally or could underperform other investments. **Foreign Investment Risk.** Returns on investments in foreign companies could be more volatile than, or trail the returns on, investments in securities of U.S. companies. Investments in or exposures to foreign markets are subject to special risks, including risks associated with foreign securities generally. **Fixed-Income Risk.** The market value of fixed-income securities will change in response to interest rate changes and other factors, such as changes in the effective maturities and credit ratings of fixed-income investments. During periods of falling interest rates, the values of outstanding fixed-income securities and related financial instruments generally rise. **Leverage Risk.** Use of derivative instruments may involve leverage. Leverage is the risk associated with securities or investment practices that multiply small index, market or asset-price movements into larger changes in value. **Sector Risk.** To the extent the Fund invests more heavily in particular sectors of the economy, its performance will be especially sensitive to developments that significantly affect those sectors. The Fund may invest a significant portion of its assets in the following sectors and, therefore, the performance of the Fund could be negatively impacted by events affecting each of these sectors.

The Fund is distributed by PINE Distributors, LLC. The fund's investment advisor is Empowered Funds, LLC, which is doing business as ETF Architect. PINE Distributors, LLC is not affiliated with Empowered Funds, LLC, NextGen EMP, Inc. or ETF Architect.

# Important Information

ANOVA Management, Inc. (ANOVA) is a registered investment advisor in Texas, Florida, and New York. NextGen EMP is a SEC Registered Advisory firm. Such registrations do not imply endorsement or a certain level of skill or training, and no inference to the contrary should be made. ANOVA, its strategies, and further disclosures are described in more detail in Part 2 of ANOVA's current Form ADV, which is available upon request. ANOVA provides asset management and related investment advisory services for clients nationally. ANOVA will file and maintain all applicable registrations as required by the state securities regulators and/or the U.S. Securities and Exchange Commission (SEC), as applicable. ANOVA renders individualized responses to persons in a particular state only after complying with the state's regulatory requirements, or pursuant to an applicable state exemption or exclusion.

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The performance representations contained herein are not representations that such performance will continue in the future or that any investment scenario or performance will even be similar to such description. Any investment described herein is an example only and is not a representation that investments made will be profitable. In fact, there are frequently sharp differences between prior performance results and actual results achieved by a particular investment program. This information has been compiled by ANOVA, and while it has been obtained from sources deemed to be reliable, no guarantee is made with respect to its accuracy.

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