

Ticker: DTEC

ALPS Disruptive Technologies ETF

Quarterly Insights | Q1 2025

Key Takeaways

- The ALPS Disruptive Technologies ETF (DTEC) fell -4.68% in the first quarter of 2025 as global technology stocks dropped amid global tariff tensions and continuing uncertainty surrounding rate cuts by the US Federal Reserve (Fed).
- Cyber Security was DTEC's best performing theme for Q1 2025, with seven of the ten underlying names in the green for the quarter.
- Okta Inc. (**OKTA, 0.98% weight***), a Cyber Security name, was the top performer in DTEC for Q1, soaring +33.53% after posting strong earnings in March.

Performance Notes

- The ALPS Disruptive Technologies ETF (DTEC) fell -4.68% in the first quarter of the new year, lagging the Morningstar Global Markets Index (MSGMUSDN) as global technology stocks dropped amid global tariff tensions and continuing uncertainty surrounding rate cuts by the Fed and its potential impact on growth stocks.
- DTEC's overweight allocation within the Information Technology sector and stock selection within the Health Care sector led to underperformance compared to the MSGMUSDN Index in Q1. Within the Health Care sector, PROCEPT BioRobotics Corp (**PRCT, 1.03% weight***) was the biggest laggard, falling -27.65% in Q1 after several analysts lowered their price targets for the medical and surgical equipment company.

Performance Summary

	Q1 2025	YTD	1 Y
DTEC (NAV)	-4.68%	-4.68%	3.12%
IDTEC Index - NTR	-4.15%	-4.15%	3.29%
Morningstar Global Markets Index - NTR	-1.48%	-1.48%	6.29%

As of 3/31/2025

Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed, may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. For current month-end performance call 1-866-759-5679 or visit www.alpsfunds.com. Performance includes reinvested distributions and capital gains.

For standardized performance please see page 3.

Strategy

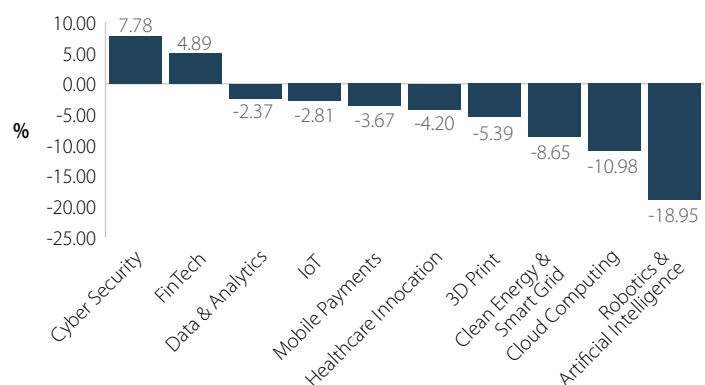
- Diversification:** Access to 10 Equally Weighted Disruptive Technology Themes
- Long-term Capital Appreciation:** Thematic Alpha
- Exposure:** Global All-Cap Equity Exposure



Attribution

- Cyber Security (+7.78%) and FinTech (+4.89%) were the leaders in Q1'25 among DTEC's 10 disruptive technology themes, while the Robotics & Artificial Intelligence (-18.95%) theme was the laggard. The Robotics & Artificial Intelligence theme was dragged down by SoundHound AI Inc. (**SOUN, 0.91% weight***) which fell -59.07% in part due to Nvidia (**NVDA, not in DTEC**) selling all its stake in the artificial intelligence software company.
- Cyber Security, the best performing theme in Q1, was spearheaded by Okta Inc. (**OKTA, 0.98% weight***), highlighted below in the Company Spotlight, while Trend Micro Inc. (**4704 JP, 0.98% weight***) was another top performer in DTEC, +22.79%. Trend Micro gained this quarter after it was reported that several private equity firms are competing to acquire the Japanese-based cyber security company.
- The FinTech theme also had a strong month, +4.89%, with LendingTree Inc. (**TREE, 1.07% weight***) leading all names forward, +29.73%. LendingTree had a big earnings beat, including earnings per share of 55 cents vs. an expected loss of nine cents per share, that propelled the stock forward while also announcing a three-year strategic partnership with Innervate to help maximize its marketing performance.

DTEC Theme Performance - Q1 2025



Source: Bloomberg L.P., as of 3/31/2025

Past performance is no guarantee of future results.

* Weight in DTEC as of 3/31/2025

Valuation Update

- As of the end of March 2025, DTEC’s underlying index (IDTEC) had a price-to-earnings (P/E) ratio of 30.07x and a price-to-cash flow (P/CF) ratio of 16.88x.

DTEC Top/Bottom Performers Q1 2025

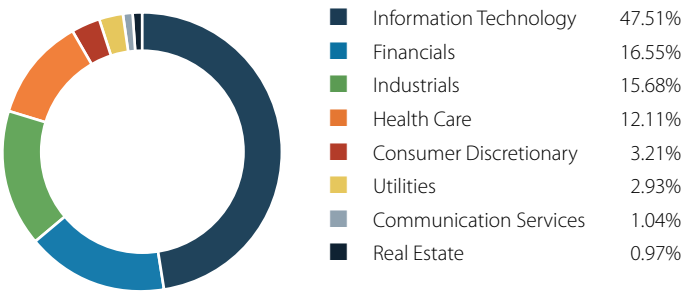
Leaders	Performance	Theme
OKTA INC (OKTA US)	33.53%	Cyber Security
LENDINGTREE INC (TREE US)	29.73%	FinTech
TREND MICRO INC (4704 JP)	22.79%	Cyber Security

Laggards	Performance	Theme
SOUNDHOUND AI INCA (SOUN US)	-59.07%	Robotics & Artificial Intelligence
BLOCK INC (XYZ US)	-36.07%	Mobile Payments
TESLA INC (TSLA US)	-35.83%	Clean Energy & Smart Grid

Source: SS&C ALPS Advisors, as of 3/31/2025

Past performance is no guarantee of future results.

Sector Allocations



Price Multiples

	IDTEC Index	Morningstar Global Markets Index
Price/Earnings Ratio	30.07x	19.53x
Price/Cash Flow Ratio	16.88x	10.11x
Price/Sales Ratio	3.37x	1.70x
Average Market Capitalization (in Mil, \$)	67,352	550,268

Source: Morningstar, as of 3/31/2025

Past performance is no guarantee of future results.

Q1 2025 Company Spotlight

Company: **Okta Inc.**
(OKTA, 0.98% weight*)



Theme:
Cyber Security

- Okta is an identity and access management software company based in California. Okta was the top performing name in DTEC in the first quarter of 2025, gaining +33.53%.
- Okta reported strong fiscal Q4 earnings in March while boosting its full year guidance. The company beat on earnings and revenues and touted its strong position within the growing artificial intelligence infrastructure. The company's great earnings report led to several price target increases from analysts across the street who are bullish on the cyber security name.

*Weight in DTEC as of 3/31/2025

ALPS Disruptive Technologies ETF (DTEC) Performance as of 3/31/2025

Total Returns	Cumulative				Annualized			
	1 M	3 M	YTD	SI ¹	1 Y	3 Y	5 Y	SI ¹
NAV (Net Asset Value)	-6.08%	-4.68%	-4.68%	76.77%	3.12%	0.74%	10.61%	8.17%
Market Price	-5.62%	-4.15%	-4.15%	76.97%	3.29%	0.84%	10.71%	8.19%
Indxx Disruptive Technologies Index - NTR	-6.07%	-4.62%	-4.62%	80.78%	3.43%	1.06%	11.05%	8.50%
Morningstar Global Markets Index - NTR	-3.79%	-1.48%	-1.48%	76.95%	6.29%	6.36%	14.87%	8.18%

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Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

¹ Fund inception date: 12/28/2017

Total Operating Expenses: **0.50%**

Top 10 Holdings

ADT Inc	1.11%	Visa Inc	1.06%
Tesla Inc	1.07%	Fidelity National Information	1.06%
LendingTree Inc	1.07%	Guidewire Software Inc	1.06%
SolarEdge Technologies Inc	1.07%	Global Payments Inc	1.06%
Insulet Corp	1.07%	Moody's Corp	1.06%

Source: Bloomberg L.P., as of 3/31/2025, subject to change

Daily holdings are available at www.alpsfunds.com.

ALPS Disruptive Technologies ETF

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus containing this and other information, call 1-866-759-5679 or visit www.alpsfunds.com. Read the prospectus carefully before investing.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

Performance data quoted represents past performance. Past performance is no guarantee of future results; current performance may be higher or lower than performance quoted.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

Companies that the Index Provider believes are developing disruptive technologies may not in fact do so or may not be able to capitalize on those technologies. Companies that develop disruptive technologies may face political, legal or regulatory challenges. Such companies may also be exposed to risks applicable to industries or sectors other than the disruptive technology Theme for which they are chosen and may underperform relative to other companies that are also focused on a particular Theme.

Smaller and mid-size companies often have a more limited track record, narrower markets, less liquidity, more limited managerial and financial resources and a less diversified product offering than larger, more established companies. As a result, their performance can be more volatile, which may increase the volatility of the Fund's portfolio.

The large capitalization companies in which the Fund invests may underperform other segments of the equity market or the equity market as a whole.

The Fund's investments in non-US issuers may involve unique risks compared to investing in securities of US issuers, including, among others, less liquidity generally, greater market volatility than US securities and less complete financial information than for US issuers. In addition, adverse political, economic or social developments could undermine the value of the Fund's investments or prevent the Fund from realizing the full value of its investments. Finally, the value of the currency of the country in which the Fund has invested could decline relative to the value of the US dollar, which may affect the value of the investment to US investors.

The Fund employs a "passive management" - or indexing - investment approach and seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell or buy a security unless that security is removed from or added to the underlying index, respectively.

Indxx Disruptive Technologies Index (IDTEC): designed to track the performance of companies that are likely to disrupt an existing market and value network, displace established market leading firms, products and alliances and increasingly gain market share.

Morningstar Global Markets Index: measures the performance of the stocks located in the developed and emerging countries across the world. Stocks in the index are weighted by their float capital, which removes corporate cross ownership, government holdings and other locked-in shares.

Price/Cash Flow (P/CF) Ratio: represents the weighted average of the price/cash flow ratios of the stocks in a portfolio. Price/cash flow represents the amount an investor is willing to pay for a dollar generated from a particular company's operations.

Price/Earnings (P/E) Ratio: a valuation ratio of a company's current share price compared to its per-share earnings.

Price/Sales (P/S) Ratio: represents the weighted average of the price/sales ratios of the stocks in a portfolio. Price/sales represent the amount an investor is willing to pay for a dollar generated from a particular company's operations.

Thematic Alpha: the excess return of an investment relative to the return of a benchmark index that can be attributed to thematic investment strategies.

Thematic Investing: designed to participate in longer term technological disrupters, economic and political developments and social trends.

One may not invest directly in an index.

ALPS Advisors, Inc., registered investment adviser with the SEC, is the investment adviser to the Fund. ALPS Advisors, Inc. is affiliated with ALPS Portfolio Solutions Distributor, Inc.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

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