DRON | IE0003XW12I8

Defiance Drone UCITS ETF

Key Features

Warfare has permanently changed

Recent conflicts have shown that low-cost unmanned systems can neutralise multi-million-dollar assets. Drones are now core to modern military doctrine, with governments embedding them into long-term defence planning. Military drone spending is projected to reach $216.5 billion over the next decade (GSBR Research, 2026).

A dual-use technology scaling beyond defence

Unlike traditional defence hardware, drones are dual-use. The same autonomy, sensors, and control systems apply across border security, disaster response, agriculture, industrial inspection, and logistics. The civil UAS market is forecast to double by 2033, with commercial adoption expected to grow even faster (GSBR Research, 2026).

An emerging aerospace segment

Targeting companies whose revenues are materially linked to unmanned systems and enabling technologies may provide more direct exposure to this structural shift.

Product Objectives

Defiance Drones UCITS ETF (DRON) provides exposure to companies positioned to benefit from growing demand for unmanned aerial vehicles (UAV) across three structural pillars: military and defence, civil government and public safety, and commercial and industrial adoption. The ETF tracks a rules-based index designed to identify companies materially involved in the development, manufacture and enabling technologies of drone platforms, including autonomy software, navigation systems, sensors and propulsion components. The methodology follows a pureplay approach to reduce dilution from diversified aerospace and defence companies, seeking more direct exposure to companies whose revenues are meaningfully linked to unmanned systems.

Key Information

Inception Date	05.03.2026
Asset Class	Equities
Base Currency	USD
Number of Holdings	45
TER	69 bps
Replication Style	Physical
Domicile	Ireland
Net Assets of Product	$44,558,828
Income Treatment	Accumulating
SFDR Classification	Article 6

Key Risks

Thematic ETFs are exposed to a limited number of sectors and thus the investment will be concentrated and may experience high volatility. When you invest in ETFs, your capital is fully at risk and may not get back the amount originally invested. Exchange rates can have a positive or negative effect on returns. Drone and UAV companies are closely tied to the economic fortunes of such companies' research, design, manufacture, operation, or enabling technologies of drones and other unmanned aerial systems. The market for drone and UAV-related products and services is nascent, highly competitive, and characterized by rapid technological change, evolving regulatory frameworks, and heightened geopolitical sensitivities. Drone and UAV companies may derive a significant portion of their revenue from supplying drones, sub-assemblies, sensors, or software to military or intelligence customers. As a result, their financial performance is heavily dependent on national defence budgets, foreign-military-sales approvals, and shifting geopolitical priorities, any of which can be affected by changes in administrations, governmental funding allocations, multilateral treaty obligations, or fiscal austerity measures. Military-focused drone and UAV companies are also exposed to strict export-control regimes, heightened sanctions risks, and enhanced compliance obligations under anticorruption, anti-boycott, and anti-money laundering laws; violations or compliance failures can result in substantial fines, loss of export privileges, or debarment from future government contracts.

Key Service Providers

Portfolio Manager	Vident Advisory, LLC
Issuer	HANetf II ICAV
Custodian	U.S. Bank Europe DAC trading as U.S Bank Depositary Services Limited
Index Provider	VettaFi

Fund Structure

UCITS Eligible	Yes
ISA Eligible	Yes
SIPP Eligible	Yes
UK Fund Reporting Status	Yes

Trading Information

Exchange	Ticker	RIC	SEDOL	CCY	Listing Date
LSE	DRON LN	DRON.L	BVMSMY6	$	16.03.2026
LSE	DRN LN	DRN.L	BVMSMZ7	£	16.03.2026
Xetra	DRON GY	DRNZG.DE	BV97SZ9	€	06.03.2026
Borsa Italiana	DRON IM	DRON.MI	BV97SV5	€	06.03.2026
GPW	ETFHDRON PW	NA	BXFJ5Y1	zł	18.06.2026

Performance Breakdown

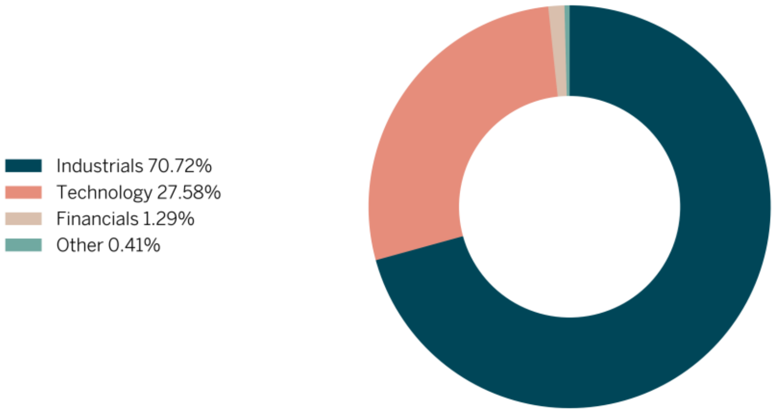
	DRON (Fund)	DRONE (Index)
1M	3.52%	3.57%
3M	-31.61%	-31.63%
6M	NA	-23.05%
YTD	NA	-15.42%
1yr	NA	-13.42%
3yr	NA	NA
Since Inception (05.03.2026)	-26.65%	-26.61%

Source: HANetf, data as of 31.08.2026. Please note that all performance figures are showing net data. Performance before inception is based on back-tested data. Back-testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such a strategy would have been. Back-tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. Past performance for the index is in EUR. Past performance is not an indicator for future results and should not be the sole factor of consideration when selecting a product. Investors should read the prospectus of the Issuer ("Prospectus") before investing and should refer to the section of the Prospectus entitled "Risk Factors" for further details of risks associated with an investment in this product. If fund is less than 12 months old, YTD field will be calculated since inception. When you invest in ETFs your capital is at risk.

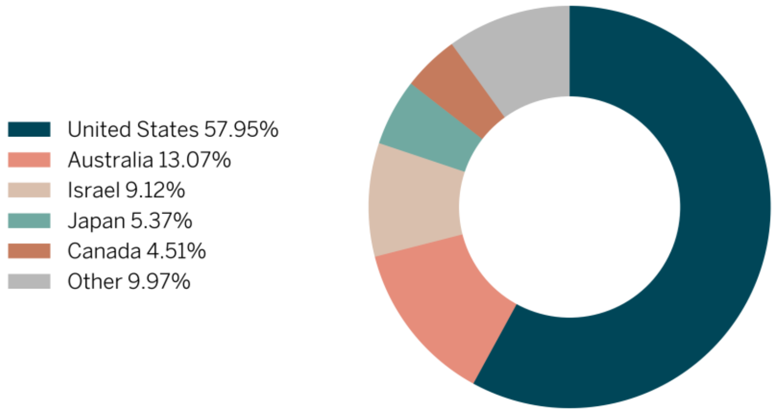
Holdings Breakdown

Top 10 Holdings	Weight
AEROVIRONMENT INC	10.62%
ONDAS INC	9.58%
RED CAT HOLDINGS INC	9.00%
NEXT VISION STABILIZED SYSTE	8.64%
UNUSUAL MACHINES INC /US	8.01%
DRONESHIELD LTD	7.69%
ELSIGHT LTD	5.38%
PALANTIR TECHNOLOGIES INC	3.04%
TERRA DRONE CORP	2.87%
GENERAL ELECTRIC	2.59%
Sum of Top 10	**67.42%**

Sector Breakdown



Regional Exposure



Partner

DEFIANCE ETFs

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