



## PACER CASH COWS INDEX® SERIES

US Corporate Bonds

Data as of 12/31/25

# MILK

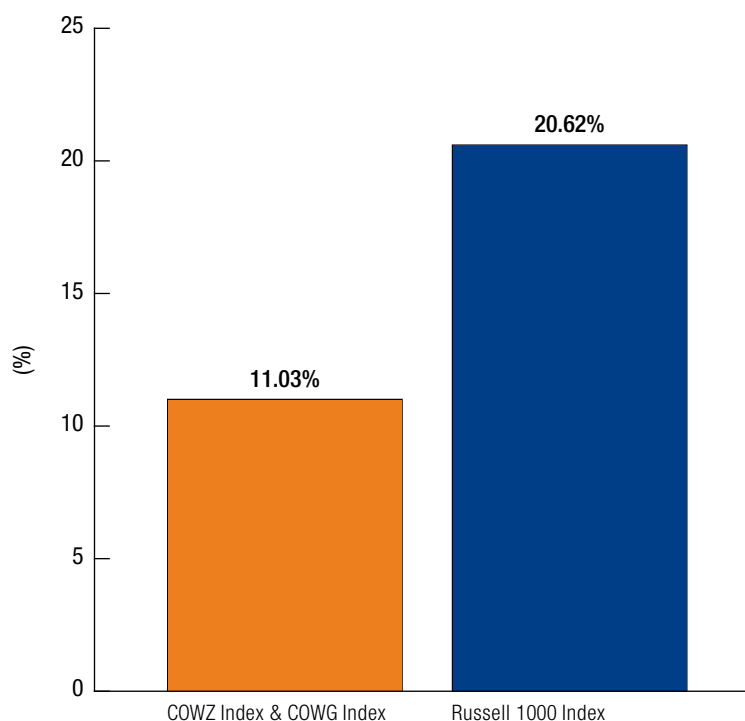
### Pacer US Cash Cows Bond ETF

A strategy driven exchange traded fund that aims to outperform traditional US corporate bond strategies and enhance portfolio yield by investing in corporate bonds issued by companies from the Pacer US Cash Cows 100 Index and/or the Pacer US Large Cap Cash Cows Growth Leaders Index.

- The Pacer US Cash Cows 100 Index (COWZ Index) screens for **free cash flow yield** to identify high quality stocks trading at a discount and the Pacer US Large Cap Cash Cows Growth Leaders Index (COWG Index) screens for above average **free cash flow margin** to identify top growth companies.
- A strong free cash flow production indicates a company's ability to repay and service its debt.

### INTEREST/FREE CASH FLOW COMPARISON

(as of 12/31/25)



#### 1. HIGH QUALITY US LARGE-CAP COMPANIES

Focus on quality large-cap companies with high free cash flow yield and high free cash flow margin.

#### 2. HIGH INTEREST EXPENSE COVERAGE

Indicates a company has the ability to pay interest expenses on outstanding debt.

#### 3. HIGH DEBT COVERAGE

Indicates a company has the ability to meet its financial obligations and debt payments.

#### Definitions

**Free Cash Flow (FCF):** A company's cash flow from operations minus capital expenditures (expenses, interest, taxes, and long-term investments).

**Enterprise Value (EV):** A company's market capitalization adjusted to eliminate any capital structure bias (i.e. by adding debt and subtracting cash or cash equivalents).

**Free Cash Flow Yield (FCF/EV):** Measures a company's total free cash flow relative to its enterprise value. This is an internal statistic and does not constitute investor yield.

**Free Cash Flow Margin (FCF/Sales):** Measures a company's total free cash flow relative to its sales.

Not FDIC Insured

May Lose Value

Not Bank Guaranteed



# PACER ETFs

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## SOLACTIVE PACER US CASH COWS BOND INDEX

### ABOUT THE STRATEGY

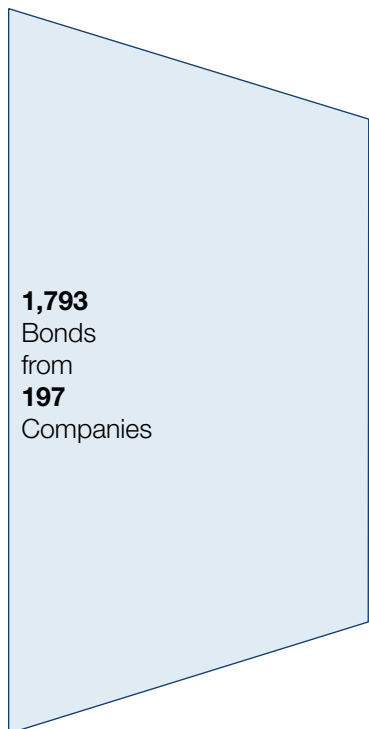
# Pacer US Cash Cows Bond Index Strategy Overview

An objective rules-based methodology seeking high quality corporate bond investments through high free cash flow producing companies.

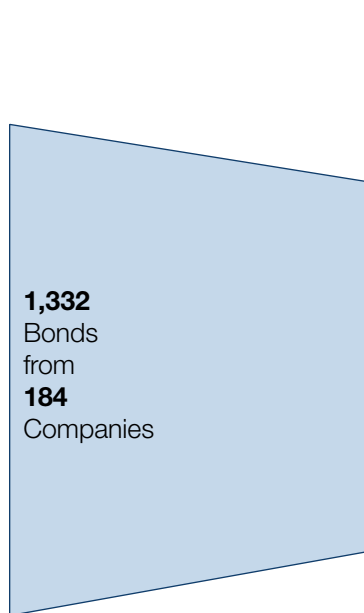
All data as of September 2025 annual reconstitution.

#### CORPORATE BONDS ISSUED

by companies in COWZ Index/COWG Index over the past 4 quarters



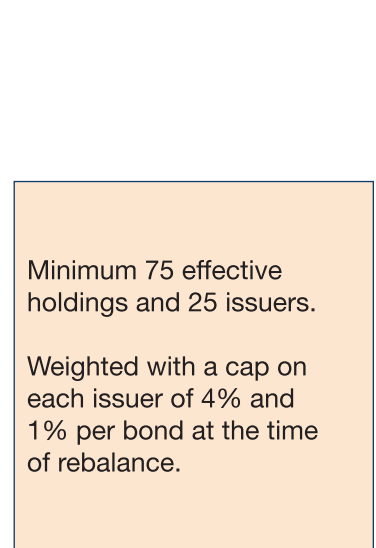
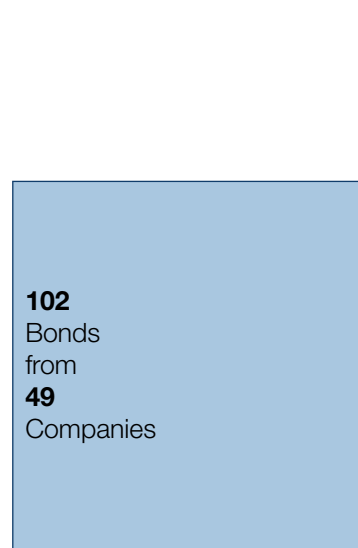
#### SCREENING FOR LIQUIDITY



#### OPTIMIZATION

Reconstituted and Rebalanced on an annual basis.

*Individual bonds are selected to maximize the overall yield within the bounds of duration, sector, and credit quality*



#### Solactive Pacer US Cash Cows Bond Index Characteristics as of 12/31/25

Weighted Average Coupon	5.32%
Average Years to Maturity	13.42
Modified Duration	7.90
Yield to Maturity	5.82%

Source: Bloomberg Analytics

**ABOUT THE FUND****Pacer US Cash Cows Bond ETF**

The Pacer US Cash Cows Bond ETF (the “Fund”) is an exchange traded fund that seeks to track the total return performance, before fees and expenses, of the Solactive Pacer US Cash Cows Bond Index (the “Index”).

Fund Details		Performance <sup>1</sup> (%)					
		Since Fund Inception (12/17/24)	YTD	1 Month	3 Month	1 Year	
NAV	\$24.56	Pacer US Cash Cows Bond ETF NAV	5.66	7.49	-0.46	0.50	7.49
Fund Ticker	MILK	Pacer US Cash Cows Bond ETF Market Price	5.69	7.47	-0.50	0.41	7.47
Index	Solactive Pacer US Cash Cows Bond Index	Solactive Pacer US Cash Cows Bond Index	6.15	7.97	-0.38	0.57	7.97
Benchmark Index	iBoxx Investment Grade Index	iBoxx Investment Grade Index	6.26	8.03	-0.55	0.49	8.03
Intraday NAV (IIV)	MILK.IV						
CUSIP#	69374H279						
Fund Inception	12/17/24						
Total Expenses	0.49%						
Exchange	Cboe Listed						

Source: US Bank, Bloomberg, Solactive, and S&P. 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 the performance quoted. Visit [www.paceretfs.com](http://www.paceretfs.com) for the most recent month-end performance. Index returns are for illustrative purposes only. Index performance does not reflect any management fees, transaction costs or expenses. You cannot invest directly in an index.

**Solactive Pacer US Cash Cows Bond Index<sup>2</sup>****Top 10 Holdings**

Company	Weight (%)
APTV 5.15 09/13/34	1.04
OXY 6.45 09/15/36	1.03
OXY 6.2 03/15/40	1.03
TDG 6 ¾ 01/31/34	1.03
APTV 5 ¾ 09/13/54	1.03
CHRD 6 ¾ 03/15/33	1.03
F 6 ⅞ 03/08/34	1.03
WDC 2.85 02/01/29	1.03
F 6 ½ 02/07/35	1.03
CTRA 5.6 03/15/34	1.03
<b>Total</b>	<b>10.31</b>

**Top 10 Issuers**

Issuers	Weight (%)
Expand Energy Corp	4.09
Aptiv Swiss Holdings Ltd	4.08
Occidental Petroleum Corp	4.08
Altria Group Inc	4.04
Pilgrim's Pride Corp	4.02
HCA Inc	3.94
Kraft Heinz Foods Co	3.57
TransDigm Inc	3.56
Ford Motor Credit Co LLC	3.05
HF Sinclair Corp	3.05
<b>Total</b>	<b>37.51</b>

**Credit Rating<sup>3</sup>**

Rating	Weight (%)
AAA	0.07
AA	0.99
A+	1.00
BBB+	7.03
BBB	25.44
BBB-	39.31
BB+	11.04
BB	6.67
BB-	3.42
B+	2.01
<b>B</b>	<b>3.02</b>

<sup>1</sup>Returns less than one year are cumulative.

<sup>2</sup>Solactive, Bloomberg.

**NAV** (net asset value) is the value of one share of the Fund calculated daily. The NAV return is based on the NAV of the Fund. It may not reflect the actual return for the investor.

**Market Price** is the price investors can buy and sell ETF shares for in the stock market and is used to calculate market return. It is based on the price at the listed exchange market close. This is when NAV is determined for most ETFs. If shares trade at another time, the return may differ. Market and NAV returns assume that dividends and capital gain distributions have been reinvested in the Fund at Market Price and NAV, respectively.

<sup>3</sup>S&P® rating measured on a scale that ranges from AAA (highest) to D (lowest) and may change over time. The scale also includes intermediate ratings, such as BBB+, BBB, and BBB-, between AA and CCC.



PACER CASH COWS INDEX® SERIES

# Pacer US Cash Cows Bond ETF

**Before investing you should carefully consider the Fund’s investment objectives, risks, charges, and expenses. This and other information is in the prospectus. A copy may be obtained by visiting [www.paceretfs.com](http://www.paceretfs.com) or calling 1-877-337-0500. Please read the prospectus carefully before investing.**

An investment in the Funds is subject to investment risk, including the possible loss of principal. Pacer ETF shares may be bought and sold on an exchange through a brokerage account. Brokerage commissions and ETF expenses will reduce investment returns. There can be no assurance that an active trading market for ETF shares will be developed or maintained. The risks associated with this fund are detailed in the prospectus and could include factors such as calculation methodology risk, concentration risk, ETF risks, fixed income risk, government obligations risk, high yield risk, management risk, new fund risk, non-diversification risk, passive investment risk, tracking risk, and/or special risks of exchange traded funds

The financial instrument is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index Price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Issuer, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the financial instrument. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the financial instrument constitutes a recommendation by Solactive AG to invest capital in said financial instrument nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this financial instrument.

**Weighted Average Coupon** is the average gross interest rate of the underlying mortgages in a mortgage-backed security at the time it was issued.

**Average Years to Maturity** is the calculated average time it takes for all the debt securities within a portfolio to reach their maturity date.

**Modified Duration** is a calculation that estimates how much a bond’s price will change in response to a 1% change in interest rates.

**Yield to Maturity** is the annual rate of return an investor can expect from a bond if they hold it until maturity and reinvest all interest payments at the same rate.

The Solactive Pacer US Cash Cows Bond Index was released on 12/13/24.

Vident Advisory, LLC d/b/a Vident Asset Management (“VA” or the “Sub-Adviser”) serves as investment sub-adviser to the Fund.

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Not FDIC Insured	May Lose Value	Not Bank Guaranteed
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12/31/25



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