Artificial Intelligence (AI) is disrupting global business in industries including healthcare, financial services, technology, transportation, technology, manufacturing, and retail. THNQ offers unique exposure to the AI ecosystem.

- **GLOBAL REVENUES** from AI for enterprise applications are projected to grow from $16.2B in 2018 to $31.2B in 2025, attaining a 53% CAGR.
- **MULTI-CAP EXPOSURE** that offers diversified access to many of the most promising mid-, large-, and small-cap companies with minimal overlap with broad market indices.
- **EXPERT RESEARCH** by an experienced team of financial professionals and highly respected robotic and AI visionaries focused on identifying opportunities for growth.

The ROBO Global® Artificial Intelligence Index was launched in August 2018 with the objective of providing investors with a comprehensive, transparent, and diversified benchmark that represents the global value chain of artificial intelligence technologies.

**Performance Chart¹**
The ROBO Global® Artificial Intelligence Index Performance - Rebased 100 = January 2014

¹The data shown is derived from the published index values. Prior to 21 August 2018, the data is based on simulated back-casted data.
Monthly Performance

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>14.50%</td>
<td>8.18%</td>
<td>1.97%</td>
<td>5.22%</td>
<td>-8.01%</td>
<td>6.52%</td>
<td>2.18%</td>
<td>-3.72%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>28.12%</td>
</tr>
<tr>
<td>2018</td>
<td>11.93%</td>
<td>2.42%</td>
<td>0.05%</td>
<td>-0.43%</td>
<td>7.49%</td>
<td>2.07%</td>
<td>1.12%</td>
<td>10.16%</td>
<td>-1.32%</td>
<td>-12.93%</td>
<td>2.97%</td>
<td>-8.08%</td>
<td>13.50%</td>
</tr>
<tr>
<td>2017</td>
<td>7.69%</td>
<td>4.33%</td>
<td>1.90%</td>
<td>5.81%</td>
<td>7.29%</td>
<td>-1.23%</td>
<td>6.40%</td>
<td>4.35%</td>
<td>1.50%</td>
<td>5.77%</td>
<td>2.01%</td>
<td>-0.02%</td>
<td>56.05%</td>
</tr>
<tr>
<td>2016</td>
<td>-10.11%</td>
<td>-0.78%</td>
<td>9.17%</td>
<td>1.50%</td>
<td>5.48%</td>
<td>-1.44%</td>
<td>9.60%</td>
<td>4.02%</td>
<td>3.88%</td>
<td>-4.32%</td>
<td>0.30%</td>
<td>-0.28%</td>
<td>16.46%</td>
</tr>
<tr>
<td>2015</td>
<td>-1.80%</td>
<td>8.10%</td>
<td>-2.42%</td>
<td>-4.43%</td>
<td>3.81%</td>
<td>-1.73%</td>
<td>0.64%</td>
<td>-8.79%</td>
<td>-2.99%</td>
<td>10.78%</td>
<td>6.12%</td>
<td>-2.22%</td>
<td>12.97%</td>
</tr>
<tr>
<td>2014</td>
<td>1.05%</td>
<td>8.20%</td>
<td>-4.96%</td>
<td>-6.13%</td>
<td>4.49%</td>
<td>7.07%</td>
<td>-4.05%</td>
<td>5.85%</td>
<td>-3.89%</td>
<td>4.62%</td>
<td>3.14%</td>
<td>-0.88%</td>
<td>13.92%</td>
</tr>
</tbody>
</table>

Key Statistics

- **Performance (eff.)** 8.74% (6 Mos.), 9.37% (1 Year), 240.06% (Since 2013)
- **Performance (p.a.)** 24.39%
- **Volatility** 18.17% (6 Mos.), 25.11% (1 Year), 19.07% (Since 2013)
- **Sharpe Ratio** 0.26 (6 Mos.), 1.17 (1 Year)

Fundamentals

- **P/E** 35.53
- **P/E NTM** 33.23
- **P/B** 9.72
- **EV/Sales** 7.48
- **P/Cash Flow** 30.34

METHODOLOGY

The index methodology follows a modified AI-factor weighting scheme and rebalances on a quarterly basis to more effectively respond to and capture changes in the technological and competitive landscapes while maintaining critical diversification. Including more than 60 stocks across 11 subsectors in 16 countries, the index is built to minimize risk by limiting reliance on the largest-cap players, and to capture the growth of rapidly developing artificial intelligence companies around the globe.

Index Facts

- **Go Live Date** 21st August 2018
- **Index Components** 69
- **Eligible Universe** ROBO Global® Industry Classification
- **Weighting** AI Factor measuring revenue and investments in AI related activities
- **Rebalance Frequency** Quarterly
- **Calculation Frequency** Every 15 seconds 9am to 11.30pm GMT
- **Dividend Treatment** Price and total return versions are available. The total return index is calculated with net dividends reinvested.
- **History Availability** Daily back to 31 December 2013
- **Base Value / Base Date** 1000 / 21 August 2018
- **Bloomberg / Reuters Ticker** THNQ Index / .THNQ

Each company in the ROBO Global® Industry Classification System is assigned a “THNQ Score” based on the company’s level of revenues and investments in artificial intelligence activities, as well as market leadership in the field of AI. These scores range from 1-100 with 100 representing significant levels of AI revenues and investment. A company must have a minimum AI Score of 50 to be considered for inclusion in the index. Companies are weighted by dividing each individual company’s THNQ Score by the sum of the total THNQ Scores among index constituents. To respond to new entrants and maintain the desired diversification, the index rebalances on a quarterly basis.

Top 10 Holdings

1. **SALESFORCE.COM INC** 3.23%
2. **ALTERNYX INC** 2.45%
3. **SPLUNK INC** 2.08%
4. **FAIR ISAAC CORP** 2.08%
5. **ALPHABET INC** 1.98%
6. **HUBSPOT INC** 1.96%
7. **MICROSOFT CORP** 1.86%
8. **VARONIS SYSTEMS INC** 1.85%
9. **INTERNATIONAL BUSINESS MACHINES CORP** 1.83%
10. **TENCENT HOLDINGS LTD** 1.82%

*Top 10 Holdings are updated on a daily basis.*
The coverage team incorporates full-time financial and research professionals supported by industry entrepreneurs and academic leaders who specialize in global developments across the robotics, automation, and artificial intelligence supply chain. The team, including more than 7 PhDs and some of the most highly respected visionaries in robotics and AI, works closely with our management team to identify early key industry trends and associated companies.

In the absence of a benchmark industry classification system specific to this emerging industry, in 2013 we created the ROBO Global® Industry Classification for the investment and research community. To date, we have identified 11 subsectors of suitable product and technology maturity to the AI theme that carry high growth and earnings potential. On a regular basis, we screen our proprietary database of over 1,000 companies to identify those that are publicly traded, fit into these 11 sub-sectors, meet a minimum AI revenue threshold, are positioned as technology and growth leaders, and satisfy our ESG Policy.

Index members are identified from the ROBO Global® Industry Classification in accordance with predetermined rules and objective criteria, including minimum market capitalization and average daily value traded. The result is a unique mix of infrastructure companies and applications and services companies.

Geographic Breakdown

- United States: 71%
- China: 6%
- France: 2%
- Taiwan, Province of China: 2%
- United Kingdom: 2%
- Sweden: 2%
- Netherlands: 2%
- Others: 13%

Market Capitalization Breakdown

- Large-Cap: 64%
- Mid-Cap: 30%
- Small-Cap: 6%

1Charts are presented based on each company’s daily weightings in the index.
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