

INNOVATION SHARES

NextGen Vehicles & Technology ETF

EKAR
LISTED
NYSE ARCA

INNOVATION
SHARES

ABOUT INNOVATION SHARES

Innovation Shares focuses on themes that investors are talking about but have a hard time accessing. The real innovation behind its strategy is the AI powered natural language processing algorithm used to select stocks, which was developed at one of the world's largest quantitative hedge funds. By harnessing the potential of textual analysis, companies are identified that might otherwise be overlooked by traditional analytical research.

ABOUT THE ETF

EKAR tracks the Innovation Labs Next Generation Vehicles Index, which is comprised of a basket of global stocks that have exposure to the theme of electric and autonomous vehicles. Over the next decade, auto industry experts expect a dramatic production shift away from light vehicles powered by internal combustion engines to those propelled by electric batteries. Meanwhile, the world's adoption of autonomous vehicles is being supported by a growing trend toward shared mobility, technological advancements and an evolving regulatory environment. To give this basket a more defined framework, stocks are placed in one of four custom stakeholder categories in terms of how they relate to the theme:

Battery Producers: Companies that mine or produce materials, chemicals, and components that are used in the production of batteries.

Original Equipment Manufacturers (OEMs): Companies that design, manufacture and/or distribute new energy vehicles (NEVs) and autonomously driven vehicles (ADVs).

Suppliers: Companies that produce or distribute parts and components used in NEVs and ADVs. This may include but not limited to thermal management (heating/cooling) systems & drive-train elements (other than batteries).

Semiconductors & Software: Companies that produce semis & software used in NEVs and ADVs including but not limited to advanced driver-assistance systems, light detection & ranging and infotainment. Companies that develop software necessary for sensing, mapping and providing driving policy within NEVs and ADVs.

PERFORMANCE	CUMULATIVE				
	1 Month	3 Month	6 Month	YTD	Inception
Market Price	-7.74%	-18.16%	-19.42%	N/A	-22.28%
NAV	-7.15%	-17.93%	-19.22%	N/A	-22.20%

Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate, so you may have a gain or loss when shares are sold. Current performance may be higher or lower than that quoted. Shares are bought and sold at market price and not individually redeemed from the fund. Brokerage commissions will reduce returns. For performance current to the most recent month-end, visit <https://www.innovationshares.com>

TOP 10 INDEX CONSTITUENTS	TICKER	COUNTRY	WEIGHT
ALPHABET INC.	GOOGL	US	4.55%
TOYOTA MOTOR CORP.	7203 JP	JAPAN	4.50%
INTEL CORP.	INTC	US	4.47%
DAIMLER AG	DAI GR	GERMANY	4.42%
HONDA MOTOR CO.	7267 JP	JAPAN	4.39%
NVIDIA CORP.	NVDA	US	4.37%
SIEMENS AG	SIE GR	GERMANY	4.17%
TESLA INC.	TSLA	US	4.05%
AIRBUS SE	AIR FP	FRANCE	4.03%
BAIDU INC. - ADR	BIDU	CHINA	3.88%
TOTAL			42.83%

Constituents are subject to change.

*Pursuant to a contractual agreement, the fund's investment advisor has agreed to waive management fees of 0.30% of average daily net assets until March 31, 2019.

KEY FACTS

ETF Ticker:
EKAR

Fund Launch Date:
February 13, 2018

Assets Under Management:
\$940,527

Benchmark Index:
Innovation Labs
Next Generation Vehicles
(EKARTR)

Rebalance Frequency:
Quarterly with Semi-Annual Review

Weighting Methodology:
Modified Market Cap

Index Holdings:
70

CUSIP:
301505756

Net Expense Ratio:
65 bps

Fee Waiver:
30 bps*

Gross Expense Ratio:
95 bps

Max Market Cap:
\$723.2 billion

Min Market Cap:
\$150.4 million

Median Market Cap:
\$9.9 billion

Beta vs. S&P 500:
0.85

Beta vs. MSCI ACWI:
1.09

P/E Ratio:
11.4

INNOVATION SHARES

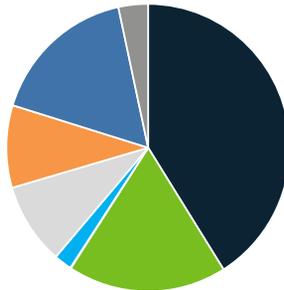
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INDUSTRY BREAKDOWN

- Automobiles & Components 41%
- Capital Goods 18%
- Commercial & Prof. Serv. 1%
- Consumer Durables 2%
- Materials 9%
- Media & Entertainment 9%
- Semiconductors 17%
- Tech Hardware & Equip. 3%



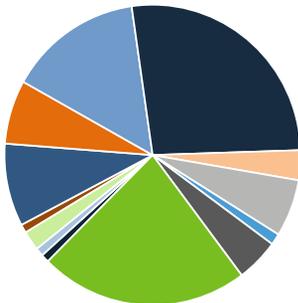
STAKEHOLDER CATEGORY WEIGHTS

- Semis & Software 25%
- OEM 35%
- Suppliers 27%
- Battery 13%



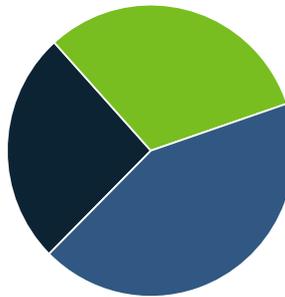
COUNTRY WEIGHTS

- Australia <1%
- Belgium <1%
- Canada 2%
- Chile <1%
- China 9%
- France 7%
- Germany 15%
- Japan 27%
- Other 3%
- South Korea 6%
- Sweden 1%
- Switzerland 5%
- US 23%



REGIONAL WEIGHTS

- Americas 26%
- EMEA 31%
- Asia Pacific 43%



DEVELOPED VS. EMERGING MARKETS

- Developed 83%
- Emerging 17%



S&P 500: An equities index generally considered to be a benchmark for the US equities market. It is comprised of the 500 largest companies having common stock listed on the NYSE or NASDAQ. **ACWI:** The MSCI All Country World Index. A global index generally considered to be a broad measure of equity-market performance throughout the world. **Beta:** A measure of the volatility of a portfolio in comparison to the market as a whole. **P/E Ratio:** ratio of price relative to earnings.

DISCLOSURE

Carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. This and additional information can be found in the Fund's prospectus, which may be obtained by visiting www.innovationshares.com. Investors should read it carefully before investing or sending money.

Investing involves risk, including possible loss of principal. International investments may also involve risk from unfavorable fluctuations in currency values, differences in generally accepted accounting principles, and from economic or political instability. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Narrowly focused investments and investments in smaller companies typically exhibit higher volatility. There is no guarantee the fund will achieve its stated objective. There is no assurance that stocks selected according to the natural language processing algorithm will outperform stocks of other companies. There is no guarantee that the methodology will generate or produce the intended results.

Next Generation Vehicles are a relatively new development and there can be no assurance that they will be widely adopted by the general public. Companies may be subject to risks related to rapid changes in technology, worldwide competition, rapid obsolescence of products and services, loss of patent protections, evolving industry standards and frequent new product production, and changes in business cycle and government regulation. The fund will be subject to the risks of its underlying holdings, that may include, battery producers, mining companies, producers or distributors of parts and components, software, semiconductors, that the technologies may not succeed.

Shares are bought and sold at market price not net asset value (NAV) and are not individually redeemed from the Fund. Market performance is determined using the bid/ask midpoint at 4:00pm Eastern time when the NAV is typically calculated and do not represent the returns an investor would receive if shares were traded at other times. Brokerage commissions will reduce returns. Exchange Traded Concepts, LLC serves as the investment advisor, and Penserra Capital Management LLC serves as the sub-advisor to the fund. The Funds are distributed by SEI Investments Distribution Co. (1 Freedom Valley Drive, Oaks, PA, 19456), which is not affiliated with Exchange Traded Concepts, LLC or any of its affiliates.