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**INNOVATION SHARES ANNOUNCES LAUNCH OF  
NEXTGEN VEHICLES & TECHNOLOGY ETF (EKAR)**

*EKAR is the first AI driven ETF to provide exposure to electric & self-driving vehicles;  
Follows January launch of KOIN, first AI powered blockchain-focused ETF*

NEW YORK, (February 13, 2018) – [Innovation Shares LLC](#), a sponsor of unique thematic Exchange Traded Funds, is today announcing the launch of the Innovation Shares NextGen Vehicles & Technology ETF (NYSE Arca: EKAR), the first artificial intelligence (AI) driven ETF to provide investors with exposure to the universe of stocks involved in the growing categories of electric and self-driving/autonomous vehicles.

“The auto industry is poised to undergo a dramatic shift away from internal combustion engines to electric batteries. Meanwhile, the adoption of autonomous vehicles is being supported in numerous countries by a growing trend towards shared mobility and ‘mobility-as-a-service,’ as well as rapid technological advancements and an evolving regulatory environment,” said Matt Markiewicz, Managing Director with Innovation Shares. “These trends are likely to upend not only the auto industry, but also the transportation of goods and people. EKAR is designed to provide a way for investors to participate in these rapidly emerging industries.”

EKAR tracks an index designed to give investors exposure to a global basket of stocks that are closely involved in the growth of these markets, placing index constituents in one of four categories based on relevance: 1. Battery Producers; 2. Original Equipment Manufacturers (OEMs); 3. Suppliers; and 4. Semiconductors & Software.

The index underlying EKAR was constructed utilizing a patent-pending natural language processing algorithm that screens for global stocks that are believed to have a current or future economic interest in the growth of electric and autonomous vehicles. Recent estimates have found that autonomous driving technology could represent a \$7 trillion global growth opportunity by 2050, dramatically altering the way goods are shipped, and the ways in which people travel and consume goods and services.<sup>1</sup>

“Through the use of textual analysis and artificial intelligence, our approach is able to identify key companies that might otherwise not be identified by traditional analytical research,” continued Markiewicz. “As with KOIN, we believe that innovative themes are best captured by innovative approaches to indexing, and that’s exactly what we’re bringing to investors with EKAR.”

KOIN, the Innovation Shares NextGen Protocol ETF, began trading on January 30<sup>th</sup> and uses the same natural language processing approach in its underlying index to identify companies driving and benefiting from the growing use of blockchain technology.

Both KOIN and EKAR trade on the NYSE Arca with management fees of 65 basis points, respectively.

The four categories that make up EKAR’s underlying index are defined as follows:

- **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 semiconductors & software used in NEVs and ADVs including but not limited to advanced driver-assistance systems (ADAS), Light Detection & Ranging (LiDAR) and infotainment. Companies that develop software necessary for sensing, mapping and providing driving policy within NEVs and ADVs.

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<sup>1</sup> Source: Intel and Strategy Analytics, [“Accelerating the Future: The Economic Impact of the Emerging Passenger Economy.”](#) June 2017.

Exchange Traded Concepts serves as the advisor for KOIN and EKAR.

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### **About Innovation Shares LLC**

[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 Exchange Traded Concepts**

[Exchange Traded Concepts \(ETC\)](#) is an exchange-traded fund (ETF) provider that creates white label ETFs for index providers and asset managers around the world through a complete turnkey solution. ETC's ETF-In-A-Box™ Solution provides an efficient and cost-effective method to bring exchange-traded funds to market with the operational and regulatory experience necessary to manage the complexities of launching and managing an ETF.

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**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 [innovationshares.com](http://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.

Currently, there are few public companies for which Blockchain technology represents an attributable and significant revenue stream. The Fund may be more susceptible to potential operational risks through breaches in cyber security. Investments in blockchain companies are subject to: theft, loss, or destruction; competing platforms and technologies; developmental risk; cybersecurity risk; intellectual property claims; lack of regulation or liquid markets, and possible manipulation of blockchain-based assets; and third party product defects or vulnerabilities.

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 productions, and changes in business cycles and government regulation.

ETF Shares are bought and sold at market price, not net asset value (NAV), and are not individually redeemed from the Fund.

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.